

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
44	(347) Asset Retirement Costs for Other Production				
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	15,188,868			
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	15,188,868			
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights	1,277,990			
49	(352) Structures and Improvements	191,668			
50	(353) Station Equipment	17,731,594	-73,949		
51	(354) Towers and Fixtures	521,825			
52	(355) Poles and Fixtures	10,659,977	1,625,193		
53	(356) Overhead Conductors and Devices	10,334,150	911,507		
54	(357) Underground Conduit				
55	(358) Underground Conductors and Devices				
56	(359) Roads and Trails	183,860			
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	40,901,064	2,462,751		
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	1,166,611	29,790		
61	(361) Structures and Improvements	3,452,010	-53,763		
62	(362) Station Equipment	28,861,798	-459,332		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	69,775,866	5,895,620		
65	(365) Overhead Conductors and Devices	52,019,493	-3,597,875		
66	(366) Underground Conduit	11,093,066	1,034,159		
67	(367) Underground Conductors and Devices	17,365,966	5,683,664		
68	(368) Line Transformers	36,063,324	10,062,532		
69	(369) Services	12,973,204	-2,360,169		
70	(370) Meters	7,850,049	1,518,174		
71	(371) Installations on Customer Premises				
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	3,085,949	683,780		
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	243,707,336	18,436,580		
76	5. GENERAL PLANT				
77	(389) Land and Land Rights	57,580			
78	(390) Structures and Improvements	1,923,477	522,261		
79	(391) Office Furniture and Equipment	3,175,928	-9,802		
80	(392) Transportation Equipment	7,566,473	1,313,645		
81	(393) Stores Equipment	122,871			
82	(394) Tools, Shop and Garage Equipment	2,573,174	-181,419		
83	(395) Laboratory Equipment	808,108			
84	(396) Power Operated Equipment	968,258			
85	(397) Communication Equipment	1,093,088	1,298,628		
86	(398) Miscellaneous Equipment	114,643			
87	SUBTOTAL (Enter Total of lines 77 thru 86)	18,403,600	2,943,313		
88	(399) Other Tangible Property				
89	(399.1) Asset Retirement Costs for General Plant				
90	TOTAL General Plant (Enter Total of lines 87, 88 and 89)	18,403,600	2,943,313		
91	TOTAL (Accounts 101 and 106)	329,082,271	25,260,413		
92	(102) Electric Plant Purchased (See Instr. 8)				
93	(Less) (102) Electric Plant Sold (See Instr. 8)				
94	(103) Experimental Plant Unclassified				
95	TOTAL Electric Plant in Service (Enter Total of lines 91 thru 94)	329,082,271	25,260,413		

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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)**

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			11,908	3
	-1,679,528		10,607,736	4
	-1,679,528		10,619,644	5
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				36
			765,874	37
			619,244	38
			631,364	39
			8,684,079	40
			2,309,132	41
			1,685,196	42
			493,979	43

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Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					44
			15,188,868		45
			15,188,868		46
					47
			1,277,990		48
			191,668		49
			17,657,645		50
			521,825		51
			12,285,170		52
			11,245,657		53
					54
					55
			183,860		56
					57
			43,363,815		58
					59
			1,196,401		60
			3,398,247		61
			28,402,466		62
					63
74,604			75,596,882		64
110,848			48,310,770		65
358			12,126,867		66
73,238			22,976,392		67
467,431			45,658,425		68
			10,613,035		69
			9,368,223		70
					71
					72
			3,769,729		73
					74
726,479			261,417,437		75
					76
			57,580		77
			2,445,738		78
			3,166,126		79
1,231,497			7,648,621		80
			122,871		81
			2,391,755		82
			808,108		83
			968,258		84
			2,391,716		85
			114,643		86
1,231,497			20,115,416		87
					88
					89
1,231,497			20,115,416		90
1,957,976	-1,679,528		350,705,180		91
					92
					93
					94
1,957,976	-1,679,528		350,705,180		95

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ELECTRIC PLANT LEASED TO OTHERS (Account 104)					
Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	N/A				
2					
3					
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5					
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46					
47	TOTAL				



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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)					
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.					
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.					
Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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19					
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21	Other Property:				
22					
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46					
47	Total			0	

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CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)					
1. Report below descriptions and balances at end of year of projects in process of construction (107)					
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)					
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.					
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)			
1	383064A Valencia Addition Turbine 4	7,745,615			
2	360062S T3 Lond Brdg Sub & Wall Expan	2,519,684			
3	354062S Construct 69/13.2kv Sub	1,837,310			
4	330061A Line Extensions < \$50K King	1,193,052			
5	333062A Line Extensions > \$50K LH	803,660			
6	312061A Construction Eq - New (King)	628,378			
7	312062A Construction Eq - New (LH)	593,531			
8	325061I 69kV Fdrs from Havasu N (King)	580,736			
9	327062I Griff to N Hav Sub 230kV (LH)	533,206			
10	330061S West Golden Valley Subst King	445,534			
11	320064A Construction Eq - New (Nog)	429,523			
12	330062A Line Extensions < \$50K LH	377,715			
13	331061B Distr. System Repl King	329,443			
14	314064B Comm. Equipement - Repl. (Nog)	293,310			
15	332061S SCADA Sys Kingman & Havasu	283,328			
16	331062B Distr. System Repl. LH	275,348			
17	330064A Line Extensions < \$50K Nog	230,360			
18	333061A Line Extensions > \$50K King	211,977			
19	331064A Distribution Sys. Bettr. Nog	204,512			
20	351062S London Bridge Sub - Recond & Paralle	194,771			
21	331064B Distr. System Repl Nog	171,804			
22	361061S Casson Sub Brkr Install (King)	146,129			
23	322064A Systems Integr Projects (Nog)	140,705			
24	366064A Kantor 7203 OH to UG NOg	126,534			
25	Minor Projects Less Than \$100,000	276,611			
26					
27					
28					
29					
30	Footnote: There were no projects related to research, development, and demonstrating in				
31	Account 107 during 2005. Research, development, and demonstrating work is classified				
32	separately as preliminary engineering - not capital.				
33					
34					
35					
36					
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41					
42					
43	TOTAL	20,572,776			

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	236,454,664	236,454,664		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	13,908,396	13,908,396		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	-832,975	-832,975		
7	Other Clearing Accounts	-11,041	-11,041		
8	Other Accounts (Specify, details in footnote):	-4,016,162	-4,016,162		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	9,048,218	9,048,218		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	1,976,052	1,976,052		
13	Cost of Removal	4,397	4,397		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	1,980,449	1,980,449		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	243,522,433	243,522,433		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	10,211,696	10,211,696		
25	Transmission	30,314,275	30,314,275		
26	Distribution	186,888,662	186,888,662		
27	General	16,107,800	16,107,800		
28	TOTAL (Enter Total of lines 20 thru 27)	243,522,433	243,522,433		

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FOOTNOTE DATA			

**Schedule Page: 219 Line No.: 7 Column: c**

The credit of (\$11,041) represents Call Center allocations made to UNS Electric, Inc.

**Schedule Page: 219 Line No.: 8 Column: c**

The \$4,016,162 represents the 2005 amortization (credited to FERC Acct. No. 406) of the electric plant acquisition discount credited to accumulated depreciation in connection with the 2003 acquisition of the electric plant assets of Citizens Communications.

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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
- (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
- (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
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42	Total Cost of Account 123.1 \$	0	TOTAL	

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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
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<b>MATERIALS AND SUPPLIES</b>					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	93,000	201,840	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	3,622,869	5,314,391	Electric	
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)		1,829		
8	Transmission Plant (Estimated)	954	145	Electric	
9	Distribution Plant (Estimated)	81,431	133,456	Electric	
10	Assigned to - Other (provide details in footnote)				
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	3,705,254	5,449,821	Electric	
12	Merchandise (Account 155)				
13	Other Materials and Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
15	Stores Expense Undistributed (Account 163)	117,469	250,770	Electric	
16					
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	3,915,723	5,902,431	Electric	

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Allowances (Accounts 158.1 and 158.2)					
<p>1. Report below the particulars (details) called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> <p>4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.</p>					
Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2006	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				



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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2007		2008		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
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Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006		Year/Period of Report End of <u>2005/Q4</u>	
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)							
Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
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19							
20	TOTAL						

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006		Year/Period of Report End of 2005/Q4	
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)							
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
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49	TOTAL						

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>	
OTHER REGULATORY ASSETS (Account 182.3)						
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes. 3. For Regulatory Assets being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
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44	TOTAL				0	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a) 3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Minimum Pension Liability	129,277		186	129,277	
2	Blanket Purchase Orders		3,550	various	794	2,756
3						
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47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	129,277				2,756

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.  
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Alternative Minimum Tax Credit	933,371	211,114
3	Deferred Income Tax Assets (See Note 1)	2,741,982	5,957,800
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	3,675,353	6,168,914
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	3,675,353	6,168,914

**Notes**

**Note 1:**

Customer Advances	\$ 671,619	2,553,188
Purchased Power Fuel Adjustment Clause	1,165,946	1,694,029
Contributions in Aid of Construction	440,237	985,529
Incentive Compensation	72,069	36,519
Deferred Revenue -		
Environmental Portafolio Surcharge	148,853	298,256
Long - Term Incentive Compensation	89,690	94,474
Vacation	42,969	67,249
Bad Debt	69,502	57,589
Supplemental Executive Retirement Plan	0	82,169
Other	41,097	88,801
	<u>\$ 2,741,982</u>	<u>5,957,800</u>

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Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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**CAPITAL STOCKS (Account 201 and 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock			
2	Account 201	1,000		
3				
4				
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Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
1,000	10					2
						3
						4
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 250 Line No.: 2 Column: c**  
 Par or stated value per share, "none".

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)					
Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.					
(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.					
(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.					
(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.					
(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.					
Line No.	Item (a)				Amount (b)
1	Account 208 - Donations Received from stockholders				
2	- Paid-In Capital from UniSource Energy Services, Inc.				38,636,477
3					
4	Account 209 - Reduction in Par of Stated value of Capital Stock				
5					
6	Account 210 - Gain on Resale or Cancellation of Reacquired Capital Stk				
7					
8	Account 211 - Miscellaneous Paid-in Capital				
9	- Adjust acquisition adjustment for direct costs				-19,816
10					
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40	TOTAL				38,616,661

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 253 Line No.: 2 Column: b**

Account 208 - Donations received from stockholder

DR 131 Cash	4,000,000	
CR 208 Donations received from stockholder		4,000,000

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
CAPITAL STOCK EXPENSE (Account 214)					
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>					
Line No.	Class and Series of Stock (a)				Balance at End of Year (b)
1	N/A				
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22 TOTAL					

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**LONG-TERM DEBT (Account 221, 222, 223 and 224)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	7.61% UNS Electric Note	60,000,000	792,795
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33	TOTAL	60,000,000	792,795

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
8/11/03	8/11/08	8/11/03	8/11/08	60,000,000	4,566,000	1
						2
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				60,000,000	4,566,000	33

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	4,994,602
2		
3		
4	Taxable Income Not Reported on Books	
5	Customer Advances	4,751,436
6	CIAC	1,376,999
7	Deferred Revenue - EPS	377,282
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	PPFAC	1,335,819
11	Federal and State Income Tax Expense	3,290,660
12	Book Depreciation in Excess of Tax Depreciation	1,106,500
13	Other	479,908
14	Income Recorded on Books Not Included in Return	
15	AFUDC Equity	178,104
16	Acquisition Adjustment	862,806
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		
21	Repairs Capitalized for Books	1,420,000
22	State Income Taxes	960,120
23	481 (a) SSCM	408,729
24	263A Costs	250,000
25	Other	206,646
26		
27	Federal Tax Net Income	13,426,801
28	Show Computation of Tax:	
29		
30	Federal Income Tax at 35%	4,699,382
31		
32		
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36		
37		
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40	Affiliate Information - See footnote	
41		
42		
43		
44		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
UNS Electric, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/18/2006	2005/Q4
FOOTNOTE DATA			

**Schedule Page: 261 Line No.: 13 Column: b**

Interest Expense - Audit	78,661
Pension	32,580
LT Incentive Comp	135,400
SERP	86,247
Restricted Stock	25,400
Vacation Accrual	61,918
Meals & Entertainment	22,714
Dividend Equivalents	36,988
	<u>479,908</u>

**Schedule Page: 261 Line No.: 25 Column: b**

Bad Debt	30,081
FAS 112	19,285
Incentive Compensation	157,280
	<u>206,646</u>

**Schedule Page: 261 Line No.: 40 Column: a**

The Affiliated Group files a consolidated federal income tax return. The tax liability of the group is first allocated to members in accordance with section 1.1552-1(a)(2) of the Income Tax Regulations. The Group has elected 100% as the fixed percentage to be used to allocate additional amounts to members in accordance with section 1.1502-33(d)(3) of the regulations.

<u>Affiliated Group Members</u>	<u>Percentage Owned</u>	<u>Federal Tax Assigned</u>
UniSource Energy Corporation	100%	(6,273,318)
Advanced Energy Technologies, Inc.	100%	(4,078,317)
Escavada Leasing Company	100%	(17,480)
GES Shared Services, Inc.	100%	(11,920)
Global Solar Energy, Inc.	99%	(3,722,681)
MEH Equities Management Company	100%	1,820,499
Millennium Energy Holdings, Inc.	100%	(82,390)
Millennium Environmental Group, Inc.	100%	(4,074,566)
Nations Energy Corporation	100%	57,592
Nations International, Ltd.	100%	-
Sabino Investing, Inc.	100%	-
San Carlos Resources, Inc.	100%	-
Santa Cruz Resources, Inc.	100%	-
Sierrita Resources, Inc.	100%	-
Southwest Energy Solutions, Inc.	100%	423,802
Springerville Power, LLC.	100%	-
SWPP Investment Company	100%	(1,163)
Tucson Electric Power Company	100%	44,424,933
Tucson Resources, Inc.	100%	-
Tucsonel, Inc.	100%	-
Unisource Energy Development Company	100%	(109,099)
Unisource Energy Services, Inc.	100%	-
UNS Gas, Inc.	100%	(99,779)
UNS Electric, Inc.	100%	4,699,382
		<u>32,955,496</u>
	Total	



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal					
2	Income			5,321,710	4,119,848	
3	FICA	34,126		675,570	682,209	
4	Unemployment	433		9,492	9,485	
5						
6	Subtotal	34,559		6,006,772	4,811,542	
7						
8	State & Local - Arizona					
9	Income			1,368,479	917,407	
10	Prepaid Tax - ACC		87,991	313,919	331,780	
11	Real & Personal Prop Tax	1,593,111		3,271,093	3,216,715	
12	Unemployment	1,391		25,189	25,479	
13	Sales Tax			18,156	18,156	
14						
15						
16						
17						
18	Subtotal	1,594,502	87,991	4,996,836	4,509,537	
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
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38						
39						
40						
41	TOTAL	1,629,061	87,991	11,003,608	9,321,079	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	No.
						1
1,201,862		4,444,293			877,417	2
27,488		319,696			355,874	3
440		9,492				4
						5
1,229,790		4,773,481			1,233,291	6
						7
						8
451,073		1,353,104			15,375	9
	105,852				313,919	10
1,647,489		3,182,264			88,829	11
1,101		25,189				12
		18,156				13
						14
						15
						16
						17
2,099,663	105,852	4,578,713			418,123	18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
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						38
						39
						40
3,329,453	105,852	9,352,194			1,651,414	41

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8	TOTAL						
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
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47							
48							

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION			Line No.
					1
					2
					3
					4
					5
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					48

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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OTHER DEFERRED CREDITS (Account 253)

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Deferred Reclamation Costs	609,211	VAR	100,282	17,798	526,727
2	Other Deferred Credits	9,132	401	8,930	1,549	1,751
3						
4						
5						
6						
7						
8						
9						
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11						
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36						
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44						
45						
46						
47	TOTAL	618,343		109,212	19,347	528,478

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Accelerated Amortization (Account 281)				
2	Electric				
3	Defense Facilities				
4	Pollution Control Facilities				
5	Other (provide details in footnote):				
6					
7					
8	TOTAL Electric (Enter Total of lines 3 thru 7)				
9	Gas				
10	Defense Facilities				
11	Pollution Control Facilities				
12	Other (provide details in footnote):				
13					
14					
15	TOTAL Gas (Enter Total of lines 10 thru 14)				
16					
17	TOTAL (Acct 281) (Total of 8, 15 and 16)				
18	Classification of TOTAL				
19	Federal Income Tax				
20	State Income Tax				
21	Local Income Tax				
NOTES					

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)**

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
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							20
							21

NOTES (Continued)

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric	2,366,097	2,700,087	2,355,103	
3	Gas				
4					
5	TOTAL (Enter Total of lines 2 thru 4)	2,366,097	2,700,087	2,355,103	
6					
7					
8					
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	2,366,097	2,700,087	2,355,103	
10	Classification of TOTAL				
11	Federal Income Tax	2,229,986	2,300,363	1,864,852	
12	State Income Tax	136,111	399,724	490,251	
13	Local Income Tax				
NOTES					



Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4		
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
						2,711,081	2
							3
							4
						2,711,081	5
							6
							7
							8
						2,711,081	9
							10
						2,665,497	11
						45,584	12
							13
NOTES (Continued)							

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 283				
2	Electric				
3					
4	Other	2,105,925	1,016,130	1,901,939	
5					
6					
7					
8					
9	TOTAL Electric (Total of lines 3 thru 8)	2,105,925	1,016,130	1,901,939	
10	Gas				
11					
12					
13					
14					
15					
16					
17	TOTAL Gas (Total of lines 11 thru 16)				
18					
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	2,105,925	1,016,130	1,901,939	
20	Classification of TOTAL				
21	Federal Income Tax	1,728,348	833,947	1,560,935	
22	State Income Tax	377,577	182,183	341,004	
23	Local Income Tax				

NOTES

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
						1,220,116	4
							5
							6
							7
							8
						1,220,116	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
						1,220,116	19
							20
						1,001,360	21
						218,756	22
							23

NOTES (Continued)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNSC Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 4 Column: k**

The Other balance at year end is comprised of the following amounts:

263A Costs	691,132
263A Interest	11,128
Capitalized Repairs	332,385
AFUDC Equity	109,464
Prepaid Pension	76,007
	<u>1,220,116</u>

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.						
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.						
3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Purchased Power Fuel Adjustment Clause	2,942,033	555/565	105,595,791	106,931,610	4,277,852
2	ACC Decision #66028					
3	Issued July 2003					
4						
5	Environmental Friendly Portfolio Surcharge	1,411,993	456	327,826	705,108	1,789,275
6	ACC Decision #63360					
7	Issued February 2001					
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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40						
41	TOTAL	4,354,026		105,923,617	107,636,718	6,067,127

Name of Respondent UNS Electric, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
ELECTRIC OPERATING REVENUES (Account 400)				
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p>				
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	
1	Sales of Electricity			
2	(440) Residential Sales	75,144,071	69,994,574	
3	(442) Commercial and Industrial Sales			
4	Small (or Comm.) (See Instr. 4)	59,650,683	58,233,734	
5	Large (or Ind.) (See Instr. 4)	13,260,955	14,190,294	
6	(444) Public Street and Highway Lighting	478,891	498,013	
7	(445) Other Sales to Public Authorities			
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales			
10	TOTAL Sales to Ultimate Consumers	148,534,600	142,916,615	
11	(447) Sales for Resale	239,707	236,322	
12	TOTAL Sales of Electricity	148,774,307	143,152,937	
13	(Less) (449.1) Provision for Rate Refunds			
14	TOTAL Revenues Net of Prov. for Refunds	148,774,307	143,152,937	
15	Other Operating Revenues			
16	(450) Forfeited Discounts			
17	(451) Miscellaneous Service Revenues	767,875	770,246	
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	321,919	356,266	
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues	150,000	131,502	
22				
23				
24				
25				
26	TOTAL Other Operating Revenues	1,239,794	1,258,014	
27	TOTAL Electric Operating Revenues	150,014,101	144,410,951	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ELECTRIC OPERATING REVENUES (Account 400)					
<p>5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)</p> <p>6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.</p> <p>7. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.</p> <p>8. Include unmetered sales. Provide details of such Sales in a footnote.</p>					
MEGAWATT HOURS SOLD				AVG.NO. CUSTOMERS PER MONTH	
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	Line No.	
				1	
745,166	691,948	73,490	70,020	2	
				3	
591,366	573,879	9,140	8,811	4	
181,420	193,662	9	10	5	
2,995	3,143	2,479	2,423	6	
				7	
				8	
				9	
1,520,947	1,462,632	85,118	81,264	10	
2,606	2,487	1	1	11	
1,523,553	1,465,119	85,119	81,265	12	
				13	
1,523,553	1,465,119	85,119	81,265	14	
<p>Line 12, column (b) includes \$ 57,292 of unbilled revenues.</p> <p>Line 12, column (d) includes 1,445 MWH relating to unbilled revenues</p>					

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Account 440 - Residential					
2	Santa Cruz Residential	98,042	10,459,511	11,543	8,494	0.1067
3	Santa Cruz Residential CARES	11,491	1,102,294	1,803	6,373	0.0959
4	Mohave Residential	596,797	59,756,462	56,300	10,600	0.1001
5	Mohave Residential CARES	38,784	3,776,505	3,844	10,089	0.0974
6	Dusk to Dawn Lighting Service	582	93,878	982	593	0.1613
7	Residential Unbilled	-530	-44,579			0.0841
8	Duplicate Customers			-982		
9	Total Account 440	745,166	75,144,071	73,490	10,140	0.1008
10						
11	Account 442 - Commercial					
12	Santa Cruz Small General Serv.	20,533	3,025,734	1,866	11,004	0.1474
13	Mohave Small General Service	64,809	6,637,816	5,263	12,314	0.1024
14	Large General Service	482,403	47,932,009	1,974	244,378	0.0994
15	Large General Service TOU	3,682	355,684	13	283,231	0.0966
16	Interruptible Power Service	16,230	1,335,741	24	676,250	0.0823
17	Dusk to Dawn Lighting	1,026	194,736	1,329	772	0.1898
18	Billed Commercial Adjustment	877	75,693			0.0863
19	Commercial Unbilled Revenue	1,806	93,270			0.0516
20	Duplicate Customers			-1,329		
21	Total Account 442 - Commercial	591,366	59,650,683	9,140	64,701	0.1009
22	Total Account 442 - Commercial					
23	Account 442 - Industrial					
24	Large Power Serv - Distribution	28,536	2,698,557	4	7,134,000	0.0946
25	Large Power Serv - Trans	151,097	10,461,787	5	30,219,400	0.0692
26	Billed Industrial Adjustment	1,619	92,326			0.0570
27	Industrial Unbilled Revenue	168	8,285			0.0493
28	Total Account 442 - Industrial	181,420	13,260,955	9	20,157,778	0.0731
29	Acct 444 - Public Street Lighting					
30	Santa Cruz Samll General Serv	719	101,806	30	23,967	0.1416
31	Mohave Small General Service	401	38,296	15	26,733	0.0955
32	Large General Service	324	33,441	8	40,500	0.1032
33	Dusk to Dawn Lighting	1,550	305,032	2,426	639	0.1968
34	Public Street Lighting Unbilled	1	316			0.3160
35	Total Account 444	2,995	478,891	2,479	1,208	0.1599
36	Public Street Lighting Unbilled					
37						
38						
39						
40						
41	TOTAL Billed	1,519,502	148,477,308	85,118	17,852	0.0977
42	Total Unbilled Rev.(See Instr. 6)	1,445	57,292	0	0	0.0396
43	TOTAL	1,520,947	148,534,600	85,118	17,869	0.0977



Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNS Electric, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/18/2006	End of 2005/Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

LU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Comision Federal de Electricidad	LF				
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

  

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
2,606		239,707		239,707	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
2,606	0	239,707	0	239,707	
<b>2,606</b>	<b>0</b>	<b>239,707</b>	<b>0</b>	<b>239,707</b>	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 310 Line No.: 1 Column: a**

This customer is located outside of the United States, in Sonora, Mexico. Service is allowed by Presidential Permit.

**Schedule Page: 310 Line No.: 1 Column: b**

Service may be terminated by UNN-Electric upon 60 days notice to customer.

**Schedule Page: 310 Line No.: 1 Column: d**

Less than .5 MW

**Schedule Page: 310 Line No.: 1 Column: e**

Less than .5 MW

**Schedule Page: 310 Line No.: 1 Column: f**

Less than .5 MW

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering			
5	(501) Fuel			
6	(502) Steam Expenses			
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses			
10	(506) Miscellaneous Steam Power Expenses			
11	(507) Rents			
12	(509) Allowances			
13	TOTAL Operation (Enter Total of Lines 4 thru 12)			
14	Maintenance			
15	(510) Maintenance Supervision and Engineering			
16	(511) Maintenance of Structures			
17	(512) Maintenance of Boiler Plant			
18	(513) Maintenance of Electric Plant			
19	(514) Maintenance of Miscellaneous Steam Plant			
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)			
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)			
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)			
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)			
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)			
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering			
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses			
49	(540) Rents			
50	TOTAL Operation (Enter Total of Lines 44 thru 49)			

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering			
54	(542) Maintenance of Structures			
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant			
57	(545) Maintenance of Miscellaneous Hydraulic Plant			
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)			
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)			
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	27,400	4,903	
63	(547) Fuel			
64	(548) Generation Expenses	55,984	101,647	
65	(549) Miscellaneous Other Power Generation Expenses	46,838	6,015	
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)	130,222	112,565	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	45,134	48,070	
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant	235,945	236,023	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	72,721	47,178	
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	353,800	331,271	
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	484,022	443,836	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	100,300,283	96,467,281	
77	(556) System Control and Load Dispatching			
78	(557) Other Expenses	278,517	268,369	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	100,578,800	96,735,650	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	101,062,822	97,179,486	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering			
84	(561) Load Dispatching	40,366	22,449	
85	(562) Station Expenses	80,085	74,214	
86	(563) Overhead Lines Expenses	4,894	13,264	
87	(564) Underground Lines Expenses			
88	(565) Transmission of Electricity by Others	6,631,327	6,388,498	
89	(566) Miscellaneous Transmission Expenses	88,764	136,844	
90	(567) Rents	21,722	25,587	
91	TOTAL Operation (Enter Total of lines 83 thru 90)	6,867,158	6,660,856	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering	24		
94	(569) Maintenance of Structures			
95	(570) Maintenance of Station Equipment	19,077	7,849	
96	(571) Maintenance of Overhead Lines	7,163	12,975	
97	(572) Maintenance of Underground Lines			
98	(573) Maintenance of Miscellaneous Transmission Plant			
99	TOTAL Maintenance (Enter Total of lines 93 thru 98)	26,264	20,824	
100	TOTAL Transmission Expenses (Enter Total of lines 91 and 99)	6,893,422	6,681,680	
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering	385,088	439,688	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
104	3. DISTRIBUTION Expenses (Continued)			
105	(581) Load Dispatching	444,617	534,744	
106	(582) Station Expenses	41,630	103,053	
107	(583) Overhead Line Expenses	646,425	386,517	
108	(584) Underground Line Expenses	486,807	388,947	
109	(585) Street Lighting and Signal System Expenses	1,277	1,808	
110	(586) Meter Expenses	492,753	447,372	
111	(587) Customer Installations Expenses	79,094	105,900	
112	(588) Miscellaneous Expenses	343,248	564,355	
113	(589) Rents	147,249	54,848	
114	TOTAL Operation (Enter Total of lines 103 thru 113)	3,068,188	3,027,232	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	45,182	50,009	
117	(591) Maintenance of Structures			
118	(592) Maintenance of Station Equipment	372,308	413,381	
119	(593) Maintenance of Overhead Lines	1,136,346	916,868	
120	(594) Maintenance of Underground Lines	211,673	253,612	
121	(595) Maintenance of Line Transformers	103,088	91,793	
122	(596) Maintenance of Street Lighting and Signal Systems	55,333	26,373	
123	(597) Maintenance of Meters	3,037	7,979	
124	(598) Maintenance of Miscellaneous Distribution Plant	10,005	9,102	
125	TOTAL Maintenance (Enter Total of lines 116 thru 124)	1,936,972	1,769,117	
126	TOTAL Distribution Exp (Enter Total of lines 114 and 125)	5,005,160	4,796,349	
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	172,442	252,528	
130	(902) Meter Reading Expenses	645,036	709,702	
131	(903) Customer Records and Collection Expenses	3,806,835	3,350,720	
132	(904) Uncollectible Accounts	296,428	426,405	
133	(905) Miscellaneous Customer Accounts Expenses	31,428	55,606	
134	TOTAL Customer Accounts Expenses (Total of lines 129 thru 133)	4,952,169	4,794,961	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision			
138	(908) Customer Assistance Expenses	191,044	213,672	
139	(909) Informational and Instructional Expenses	134,029	58,006	
140	(910) Miscellaneous Customer Service and Informational Expenses	7,982	7,298	
141	TOTAL Cust. Service and Information. Exp. (Total lines 137 thru 140)	333,055	278,976	
142	6. SALES EXPENSES			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses			
146	(913) Advertising Expenses		304	
147	(916) Miscellaneous Sales Expenses			
148	TOTAL Sales Expenses (Enter Total of lines 144 thru 147)		304	
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	921,055	704,359	
152	(921) Office Supplies and Expenses	491,600	671,534	
153	(Less) (922) Administrative Expenses Transferred-Credit	386,587	61,450	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	2,741,761	2,427,812	
156	(924) Property Insurance	64,630	78,770	
157	(925) Injuries and Damages	356,992	352,589	
158	(926) Employee Pensions and Benefits	967,592	1,060,200	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses			
161	(929) (Less) Duplicate Charges-Cr.			
162	(930.1) General Advertising Expenses	73,876	53,993	
163	(930.2) Miscellaneous General Expenses	880,259	1,397,715	
164	(931) Rents	85,151	81,441	
165	TOTAL Operation (Enter Total of lines 151 thru 164)	6,196,329	6,766,963	
166	Maintenance			
167	(935) Maintenance of General Plant	50,587	38,378	
168	TOTAL Admin & General Expenses (Total of lines 165 thru 167)	6,246,916	6,805,341	
169	TOTAL Elec Op and Maint Expn (Tot 80, 100, 126, 134, 141, 148, 168)	124,493,544	120,537,097	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**PURCHASED POWER (Account 555)**  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Pinnacle West Capital	RQ	Rate Sched 4		314	285
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
Total						



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
1,674,992				100,300,283		100,300,283	1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
1,674,992				100,300,283		100,300,283	

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Name of Respondent UNS Electric, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')						
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>						
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
			0	0	0	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
		150,000	150,000	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
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				16
				17
0	0	150,000	150,000	

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4			
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Rc'd Power from Wheeler							
2	Western Area Power Admn	FNS	1,674,992	1,626,918		6,631,327		6,631,327
3								
4								
5								
6								
7								
8								
9	Delivered Power to							
10	Wheeler							
11								
12								
13								
14								
15								
16								
	TOTAL		1,674,992	1,626,918		6,631,327		6,631,327

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	21,170			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities				
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	Allocated Internal Expenses	526,533			
7	Wages	223,372			
8	Director's Expense	38,497			
9	Financing Expense	12,500			
10	Travel	23,077			
11	Transportation Usage	28,181			
12	Other	6,929			
13					
14					
15					
16					
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43					
44					
45					
46	TOTAL	880,259			

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)**  
(Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

  

A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			396,517		396,517
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	288,815				288,815
7	Transmission Plant	1,532,512				1,532,512
8	Distribution Plant	11,542,808				11,542,808
9	General Plant	544,261				544,261
10	Common Plant-Electric					
11	TOTAL	13,908,396		396,517		14,304,913

  

B. Basis for Amortization Charges
<p>Amortization charges to account 404 primarily consist of amortization of software and capital obligations for certain transmission property made by UNS Electric in accordance with the current transmission agreement between the company and WAPA. Software is amortized over its estimated economic life. The capital obligations are amortized over the economic life of the transmission property constructed.</p>

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
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Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**REGULATORY COMMISSION EXPENSES**

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	N/A				
2					
3					
4					
5					
6					
7					
8					
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12					
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46	TOTAL				

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.  
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.  
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
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Name of Respondent UNN Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES**

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

(1) Generation

a. hydroelectric

i. Recreation fish and wildlife

ii Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(3) Transmission

a. Overhead

b. Underground

(4) Distribution

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$5,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

(1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	N/A	
2		
3		
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Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)**

- (2) Research Support to Edison Electric Institute  
 (3) Research Support to Nuclear Power Groups  
 (4) Research Support to Others (Classify)  
 (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
					3
					4
					5
					6
					7
					8
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Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
DISTRIBUTION OF SALARIES AND WAGES					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production	48,982			
4	Transmission	36,035			
5	Distribution	1,227,810			
6	Customer Accounts	782,678			
7	Customer Service and Informational	76,529			
8	Sales				
9	Administrative and General	840,055			
10	TOTAL Operation (Enter Total of lines 3 thru 9)	3,012,089			
11	Maintenance				
12	Production	156,354			
13	Transmission	8,088			
14	Distribution	1,113,498			
15	Administrative and General				
16	TOTAL Maint. (Total of lines 12 thru 15)	1,277,940			
17	Total Operation and Maintenance				
18	Production (Enter Total of lines 3 and 12)	205,336			
19	Transmission (Enter Total of lines 4 and 13)	44,123			
20	Distribution (Enter Total of lines 5 and 14)	2,341,308			
21	Customer Accounts (Transcribe from line 6)	782,678			
22	Customer Service and informational (Transcribe from line 7)	76,529			
23	Sales (Transcribe from line 8)				
24	Administrative and General (Enter Total of lines 9 and 15)	840,055			
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	4,290,029	499,976	4,790,005	
26	Gas				
27	Operation				
28	Production-Manufactured Gas				
29	Production-Nat. Gas (Including Expl. and Dev.)				
30	Other Gas Supply				
31	Storage, LNG Terminaling and Processing				
32	Transmission				
33	Distribution				
34	Customer Accounts				
35	Customer Service and Informational				
36	Sales				
37	Administrative and General				
38	TOTAL Operation (Enter Total of lines 28 thru 37)				
39	Maintenance				
40	Production-Manufactured Gas				
41	Production-Natural Gas				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing				
44	Transmission				
45	Distribution				
46	Administrative and General				
47	TOTAL Maint. (Enter Total of lines 40 thru 46)				

Name of Respondent UNs Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Total Operation and Maintenance				
49	Production-Manufactured Gas (Enter Total of lines 28 and 40)				
50	Production-Natural Gas (Including Expl. and Dev.) (Total lines 29,				
51	Other Gas Supply (Enter Total of lines 30 and 42)				
52	Storage, LNG Terminaling and Processing (Total of lines 31 thru				
53	Transmission (Lines 32 and 44)				
54	Distribution (Lines 33 and 45)				
55	Customer Accounts (Line 34)				
56	Customer Service and Informational (Line 35)				
57	Sales (Line 36)				
58	Administrative and General (Lines 37 and 46)				
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)				
60	Other Utility Departments				
61	Operation and Maintenance				
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	4,290,029	499,976	4,790,005	
63	Utility Plant				
64	Construction (By Utility Departments)				
65	Electric Plant	3,266,452	605,171	3,871,623	
66	Gas Plant				
67	Other (provide details in footnote):				
68	TOTAL Construction (Total of lines 65 thru 67)	3,266,452	605,171	3,871,623	
69	Plant Removal (By Utility Departments)				
70	Electric Plant	28,440	3,157	31,597	
71	Gas Plant				
72	Other (provide details in footnote):				
73	TOTAL Plant Removal (Total of lines 70 thru 72)	28,440	3,157	31,597	
74	Other Accounts (Specify, provide details in footnote):				
75	163 Stores Expense	232,847	-232,847		
76	184 Clearing Accounts	875,065	-875,065		
77	416 Merchandising Expense	216	-216		
78	417 Nonutility Income & Expense	176	-176		
79					
80					
81					
82					
83					
84					
85					
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	TOTAL Other Accounts	1,108,304	-1,108,304		
96	TOTAL SALARIES AND WAGES	8,693,225		8,693,225	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
COMMON UTILITY PLANT AND EXPENSES			
<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>			





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FOOTNOTE DATA			

**Schedule Page: 398   Line No.: 7   Column: b**  
Line Losses

Name of Respondent UNS Electric, Inc.				This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006		Year/Period of Report End of 2005/Q4		
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (f)	Short-Term Firm Point-to-point Reservation (f)	Other Service (f)
1	January	229	4	1900	229					
2	February	215	9	800	215					
3	March	191	1	800	191					
4	Total for Quarter 1	635			635					
5	April	192	18	1600	192					
6	May	317	26	1600	317					
7	June	370	22	1500	370					
8	Total for Quarter 2	879			879					
9	July	426	18	1600	426					
10	August	382	29	1600	382					
11	September	353	1	1600	353					
12	Total for Quarter 3	1,161			1,161					
13	October	265	3	1600	265					
14	November	225	28	1900	225					
15	December	246	16	800	246					
16	Total for Quarter 4	736			736					
17	Total for Year to Date/Year	3,411			3,411					

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006		Year/Period of Report End of 2005/Q4	
ELECTRIC ENERGY ACCOUNT							
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.							
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)		
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY			
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	1,520,948		
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)			
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	2,606		
5	Hydro-Conventional		25	Energy Furnished Without Charge			
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)			
7	Other	1,461	27	Total Energy Losses	104,825		
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	1,628,379		
9	Net Generation (Enter Total of lines 3 through 8)	1,461					
10	Purchases	1,674,992					
11	Power Exchanges:						
12	Received						
13	Delivered						
14	Net Exchanges (Line 12 minus line 13)						
15	Transmission For Other (Wheeling)						
16	Received						
17	Delivered						
18	Net Transmission for Other (Line 16 minus line 17)						
19	Transmission By Others Losses	-48,074					
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	1,628,379					

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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# MONTHLY PEAKS AND OUTPUT

- (1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
- (2) Report on line 2 by month the system's output in Megawatt hours for each month.
- (3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

## NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	121,752	208	235	4	1900
30	February	106,917	198	215	9	800
31	March	111,791	201	202	22	1700
32	April	107,342	247	193	18	1600
33	May	136,346	294	320	26	1600
34	June	155,398	279	371	22	1500
35	July	196,371	229	425	18	1600
36	August	178,556	259	381	29	1600
37	September	149,058	244	352	1	1600
38	October	122,951	245	265	3	1600
39	November	111,894	231	223	28	1900
40	December	130,002	238	246	16	800
41	TOTAL	1,628,378	2,873			

Name of Respondent UNSW Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: VALENCIA (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Gas Turbine	
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Outdoor	
3	Year Originally Constructed	1989	
4	Year Last Unit was Installed	1989	
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	54.00	0.00
6	Net Peak Demand on Plant - MW (60 minutes)	59	0
7	Plant Hours Connected to Load	131	0
8	Net Continuous Plant Capability (Megawatts)	42	0
9	When Not Limited by Condenser Water	42	0
10	When Limited by Condenser Water	42	0
11	Average Number of Employees	4	0
12	Net Generation, Exclusive of Plant Use - KWh	1464900	0
13	Cost of Plant: Land and Land Rights	352928	0
14	Structures and Improvements	621702	0
15	Equipment Costs	8038158	0
16	Asset Retirement Costs	0	0
17	Total Cost	9012788	0
18	Cost per KW of Installed Capacity (line 17/5) Including	166.9035	0.0000
19	Production Expenses: Oper, Supv, & Engr	130222	0
20	Fuel	288377	0
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	0	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	0	0
26	Misc Steam (or Nuclear) Power Expenses	0	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	45134	0
30	Maintenance of Structures	0	0
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	308666	0
33	Maintenance of Misc Steam (or Nuclear) Plant	0	0
34	Total Production Expenses	772399	0
35	Expenses per Net KWh	0.5273	0.0000
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Diesel
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MCF	Gallons
38	Quantity (Units) of Fuel Burned	28860	6636
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1015	120000
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	9.678	2.320
41	Average Cost of Fuel per Unit Burned	9.678	1.368
42	Average Cost of Fuel Burned per Million BTU	9534.680	11.400
43	Average Cost of Fuel Burned per KWh Net Gen	5.374	0.006
44	Average BTU per KWh Net Generation	563.597	0.000

Name of Respondent UNS Electric, Inc.			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) 04/18/2006		Year/Period of Report End of 2005/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)									
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>									
Plant Name: (d)			Plant Name: (e)			Plant Name: (f)			Line No.
									1
									2
									3
									4
0.00			0.00			0.00			5
0			0			0			6
0			0			0			7
0			0			0			8
0			0			0			9
0			0			0			10
0			0			0			11
0			0			0			12
0			0			0			13
0			0			0			14
0			0			0			15
0			0			0			16
0			0			0			17
0.0000			0.0000			0.0000			18
0			0			0			19
0			0			0			20
0			0			0			21
0			0			0			22
0			0			0			23
0			0			0			24
0			0			0			25
0			0			0			26
0			0			0			27
0			0			0			28
0			0			0			29
0			0			0			30
0			0			0			31
0			0			0			32
0			0			0			33
0			0			0			34
0.0000			0.0000			0.0000			35
									36
									37
0	0	0	0	0	0	0	0	0	38
0	0	0	0	0	0	0	0	0	39
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 402 Line No.: 20 Column: b**

Valencia generation fuel is initially charged to the Purchased Power Fuel Adjustment Clause regulatory tracking account on the balance sheet (see Other Regulatory Liabilities, Account No. 254). Such amounts are subsequently cleared to Fuel Expense only when , and to the extent, they are reflected in billings to customers.

Name of Respondent UNS Electric, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)					
<p>1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</p>					
Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)		
1	Kind of Plant (Run-of-River or Storage)				
2	Plant Construction type (Conventional or Outdoor)				
3	Year Originally Constructed				
4	Year Last Unit was Installed				
5	Total installed cap (Gen name plate Rating in MW)	0.00	0.00		
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0		
7	Plant Hours Connect to Load	0	0		
8	Net Plant Capability (in megawatts)				
9	(a) Under Most Favorable Oper Conditions	0	0		
10	(b) Under the Most Adverse Oper Conditions	0	0		
11	Average Number of Employees	0	0		
12	Net Generation, Exclusive of Plant Use - Kwh	0	0		
13	Cost of Plant				
14	Land and Land Rights	0	0		
15	Structures and Improvements	0	0		
16	Reservoirs, Dams, and Waterways	0	0		
17	Equipment Costs	0	0		
18	Roads, Railroads, and Bridges	0	0		
19	Asset Retirement Costs	0	0		
20	TOTAL cost (Total of 14 thru 19)	0	0		
21	Cost per KW of Installed Capacity (line 20 / 5)	0.0000	0.0000		
22	Production Expenses				
23	Operation Supervision and Engineering	0	0		
24	Water for Power	0	0		
25	Hydraulic Expenses	0	0		
26	Electric Expenses	0	0		
27	Misc Hydraulic Power Generation Expenses	0	0		
28	Rents	0	0		
29	Maintenance Supervision and Engineering	0	0		
30	Maintenance of Structures	0	0		
31	Maintenance of Reservoirs, Dams, and Waterways	0	0		
32	Maintenance of Electric Plant	0	0		
33	Maintenance of Misc Hydraulic Plant	0	0		
34	Total Production Expenses (total 23 thru 33)	0	0		
35	Expenses per net KWh	0.0000	0.0000		



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)			
<p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."</p> <p>6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.</p>			
FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)				
<p>1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.</p> <p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."</p>				
Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)		
1	Type of Plant Construction (Conventional or Outdoor)			
2	Year Originally Constructed			
3	Year Last Unit was Installed			
4	Total installed cap (Gen name plate Rating in MW)			
5	Net Peak Demand on Plant-Megawatts (60 minutes)			
6	Plant Hours Connect to Load While Generating			
7	Net Plant Capability (in megawatts)			
8	Average Number of Employees			
9	Generation, Exclusive of Plant Use - Kwh			
10	Energy Used for Pumping			
11	Net Output for Load (line 9 - line 10) - Kwh			
12	Cost of Plant			
13	Land and Land Rights			
14	Structures and Improvements			
15	Reservoirs, Dams, and Waterways			
16	Water Wheels, Turbines, and Generators			
17	Accessory Electric Equipment			
18	Miscellaneous Powerplant Equipment			
19	Roads, Railroads, and Bridges			
20	Asset Retirement Costs			
21	Total cost (total 13 thru 20)			
22	Cost per KW of installed cap (line 21 / 4)			
23	Production Expenses			
24	Operation Supervision and Engineering			
25	Water for Power			
26	Pumped Storage Expenses			
27	Electric Expenses			
28	Misc Pumped Storage Power generation Expenses			
29	Rents			
30	Maintenance Supervision and Engineering			
31	Maintenance of Structures			
32	Maintenance of Reservoirs, Dams, and Waterways			
33	Maintenance of Electric Plant			
34	Maintenance of Misc Pumped Storage Plant			
35	Production Exp Before Pumping Exp (24 thru 34)			
36	Pumping Expenses			
37	Total Production Exp (total 35 and 36)			
38	Expenses per KWh (line 37 / 9)			

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.

7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
			12
			13
			14
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			21
			22
			23
			24
			25
			26
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			36
			37
			38

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of <u>2005/Q4</u>
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**GENERATING PLANT STATISTICS (Small Plants)**

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
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46						

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**GENERATING PLANT STATISTICS (Small Plants) (Continued)**

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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						18
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						42
						43
						44
						45
						46

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits
	From (a)	To (b)	Operating (c)	Designed (d)	Structure (e)	On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Transmission-Northern Ariz			69.00	SP-W	225.78		
2					SP-S			
3					HF-W			
4								
5								
6	Transmission-Santa Cruz		115.00		SP-S	55.75		
7					HF-W			
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	281.53		

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**TRANSMISSION LINE STATISTICS (Continued)**

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1/0 Copper	894,193	14,277,664	15,171,857	144,560	14,302	21,722	180,584	1
927 AAAC/795								2
559AAAC								3
1/0 ACSR								4
								5
559.5 AAAC	383,797	9,622,631	10,006,428	69,549	11,962		81,511	6
								7
								8
								9
								10
								11
								12
								13
								14
								15
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								21
								22
								23
								24
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								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
	1,277,990	23,900,295	25,178,285	214,109	26,264	21,722	262,095	36

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**TRANSMISSION LINES ADDED DURING YEAR**

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (f) to (g), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1							
2							
3							
4							
5							
6							
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11							
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32							
33							
34							
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39							
40							
41							
42							
43							
44	TOTAL						



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TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
									1
									2
									3
									4
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Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	MOHAVE				
2	Casson	DIST/ UNATTENDED	69.00	13.20	
3	Highway	DIST/ UNATTENDED	69.00	12.00	
4	Pierce Ferry Junction	DIST/ UNATTENDED	69.00	12.00	
5	Chloride	DIST/ UNATTENDED	69.00	12.00	
6	Duval Booster	DIST/ UNATTENDED	69.00	2.40	
7	Golden Valley	DIST/ UNATTENDED	69.00	20.80	
8	South Kingman	DIST/ UNATTENDED	69.00	12.00	
9	North Kingman	DIST/ UNATTENDED	69.00	12.00	
10	Airport	DIST/ UNATTENDED	69.00	13.20	
11	Jagerson	DIST/ UNATTENDED	69.00	13.20	
12	Boriana Junction	DIST/ UNATTENDED	69.00	20.80	
13	Yucca	DIST/ UNATTENDED	69.00	20.80	
14	Duval Waterfield	DIST/ UNATTENDED	69.00	2.40	
15	Warm Springs	DIST/ UNATTENDED	69.00	13.20	
16	Boundary Cone	DIST/ UNATTENDED	69.00	13.20	
17	Sacramento	DIST/ UNATTENDED	69.00	20.80	
18	Dolan Springs	DIST/ UNATTENDED	69.00	12.00	
19	So-Hi	DIST/ UNATTENDED	69.00	20.80	
20	Willow Beach	DIST/ UNATTENDED	69.00	12.00	
21	Eastern	DIST/ UNATTENDED	69.00	13.20	
22	Cattail Cove	DIST/ UNATTENDED	69.00	13.20	
23	Havasu Sub	DIST/ UNATTENDED	69.00	13.20	
24	Palo Verde	DIST/ UNATTENDED	69.00	13.20	
25	London Bridge	DIST/ UNATTENDED	69.00	13.20	
26	Highlands	DIST/ UNATTENDED	13.20	20.80	
27	Kiowa	DIST/ UNATTENDED	69.00	13.20	
28	Mulberry	DIST/ UNATTENDED	69.00	13.20	
29	Clearwater	DIST/ UNATTENDED	69.00	13.20	
30	North Havasu 20.8kV	DIST/ UNATTENDED	69.00	20.80	
31	Black Mesa Substation	TRANS/UNATTENDED	230.00	69.00	13.20
32	Hilltop Substation	TRANS/UNATTENDED	230.00	69.00	13.20
33	Griffith Substation	TRANS/UNATTENDED	230.00	69.00	12.00
34	North Havasu Substation	TRANS/UNATTENDED	230.00	69.00	12.00
35	SANTA CRUZ - AZ Electric				
36	Valencia	DIST/ UNATTENDED	115.00	13.20	
37	Sonoita	DIST/ UNATTENDED	115.00	13.20	
38	Smithsonian	DIST/ UNATTENDED	13.20	4.16	
39	Kantor	DIST/ UNATTENDED	115.00	13.20	
40	Canez	DIST/ UNATTENDED	115.00	13.20	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report End of 2005/Q4
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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1					
2	Summary	DIST/ UNATTENDED			
3	Summary	TRANS/ UNATTENDED			
4					
5					
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**SUBSTATIONS (Continued)**

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
66	2		Forced Air		66	2
3	3		None		3	3
5	1		Forced Air		5	4
1	3		None		1	5
2	3		None		2	6
10	1		Forced Air		10	7
10	1		Forced Air		10	8
10	1		Forced Air		10	9
20	1	1	Forced Air		20	10
20	1		Forced Air		20	11
5	1		None		5	12
3	1		Forced Air		3	13
3	3		None		3	14
5	1		Forced Air		5	15
13	1	1	Forced Air		13	16
20	1		Forced Air		20	17
12	1		Forced Air		12	18
3	1		Forced Air		3	19
2	1		Forced Air		2	20
12	1		Forced Air		12	21
1	3	1	None		1	22
50	2		Force Air		50	23
50	2		Forced Air		50	24
90	3		Forced Air & Oil		90	25
3	1		None		3	26
50	2	1	Forced Air		50	27
33	1		Forced Air		13	28
33	1		Forced Air & Oil		33	29
6	1		Forced Air		6	30
230	4		Forced Air		230	31
160	2		Forced Air		160	32
80	1		Forced Air		80	33
80	1		Forced Air		80	34
						35
12	2		Forced Air & Oil		40	36
12	2		Forced Air & Oil		40	37
	3		None			38
10	1		Forced Air		12	39
10	1		Forced Air		12	40

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**SUBSTATIONS (Continued)**

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/2006	Year/Period of Report 2005/Q4
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 426 Line No.: 38 Column: f**

The Smithsonian Substation capacity equals 0.1.



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UNS Electric, Inc.  
Comparative Balance Sheets

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Black Mountain Generating Station

Line No.	Description	Prior Years Ended December 31,		Line No.
		2005	2004	
(a)	Utility Plant			
1	Plant in Service			1
2	Construction Work in Progress	\$380,192,497	\$329,082,271	2
3	Plant Held for Future Use	10,802,314	11,038,202	3
4	Plant Under Capital Leases	0	0	4
5	Citizens Acquisition Discount	730,678	730,678	5
6	Total Utility Plant	(104,266,123)	(104,266,123)	6
7	Accumulated Depreciation and Amortization	287,459,366	236,585,028	7
8	Accumulated Amortization - Capital Leases	(159,524,693)	(140,019,291)	8
9	Accumulated Amort. - Citizens Acquisition Discount	(289,226)	(127,107)	9
10	Total Utility Plant - Net	12,642,562	6,354,677	10
		140,288,009	102,793,307	
	Other Property and Investments			
11	Long-Term Portion of Derivative Assets	1,913,888	0	11
12	Long-Term Portion of Derivative Assets - Hedges	722,166	0	12
13	Total Other Property and Investments	2,636,054	0	13
	Current Assets			
14	Cash and Cash Equivalents	6,194,969	7,764,900	14
15	Special Deposits & Working Funds	36,001	283,898	15
16	Accounts Receivable - Retail Customers	9,965,805	8,355,687	16
17	Accounts Receivable - Other	40,053	42,830	17
18	Allowance for Doubtful Accounts	(110,755)	(120,696)	18
19	Accrued Unbilled Revenues	9,472,403	7,525,785	19
20	Intercompany Accounts Receivable	132,135	213,744	20
21	Material and Supplies	5,914,168	5,902,431	21
22	Prepayments	557,603	367,143	22
23	Other	0	0	23
24	Total Current Assets	32,202,382	30,335,722	24
	Regulatory & Other Assets			
25	Under Recovered Purchased Power Costs	0	0	25
26	Other Regulatory Assets	0	0	26
27	Unamortized Debt Discount and Expense	455,448	600,857	27
28	Accumulated Deferred Income Taxes	7,666,007	6,168,914	28
29	Other	611,566	582,543	29
30	Total Deferred Debits	8,733,021	7,321,064	30
31	Total Assets	\$183,859,466	\$164,055,803	31
			\$137,762,154	

Supporting Schedules  
(a) E-5 BMGS  
E-9 BMGS

Recap Schedules  
A-4 BMGS

UNS Electric, Inc.  
Comparative Balance Sheets

Black Mountain Generating Station

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Line No.	Description	Prior Years Ended December 31,			Line No.
		June 30, 2006	2005	2004	
	Capitalization				
1	Common Stock	\$10	\$10	\$10	1
2	Additional Paid-In Capital	48,616,661	38,616,661	34,616,661	2
3	Accumulated Earnings	13,376,737	11,281,430	6,286,828	3
4	Accumulated Other Comprehensive Income	(406,448)	0	0	4
5	Total Common Stock Equity	61,586,960	49,898,101	40,903,499	5
6	Long-Term Debt	60,000,000	60,000,000	60,000,000	6
7	Total Capitalization	121,586,960	109,898,101	100,903,499	7
	Current Liabilities				
8	Accounts Payable - Net	13,861,423	14,809,911	11,250,643	8
9	Notes Payable	5,000,000	5,000,000	0	9
10	Intercompany Payables - Net	5,069,338	5,249,171	3,055,142	10
11	Interest Accrued	1,961,404	1,819,641	1,730,862	11
12	Income Taxes Accrued	3,495,359	1,652,935	0	12
13	Other Taxes Accrued	1,832,847	1,676,518	1,629,062	13
14	Customer Deposits	3,778,418	3,616,448	3,419,544	14
15	Other	2,280,735	1,863,806	2,004,035	15
16	Total Current Liabilities	37,279,524	35,688,430	23,089,288	16
	Deferred Credits and Other Liabilities				
17	Customer Advances for Construction	8,692,444	6,124,788	2,196,998	17
18	Accumulated Deferred Income Taxes	4,275,247	3,931,197	4,472,022	18
19	Other	12,025,291	8,413,287	7,100,347	19
20	Total Deferred Credits and Other Liabilities	24,992,982	18,469,272	13,769,367	20
21	Total Liabilities and Stockholders' Equity	\$183,859,466	\$164,055,803	\$137,762,154	21

Supporting Schedules  
E-9 BMGS

Recap Schedules  
A-3 BMGS

UNS Electric, Inc.  
Black Mountain Generating Station

## Comparative Income Statements

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Line No.	Description	Prior Years Ended December 31,			Line No.
		June 30, 2006	2005	2004	
(a)	Operating Revenues				
1	Electric Retail Revenues	\$153,864,375	\$148,534,600	\$142,916,615	1
2	Sales for Resale	246,016	239,707	236,322	2
3	Other Operating Revenue	1,303,590	1,239,794	1,258,014	3
4	Total Operating Revenues	<u>155,414,581</u>	<u>150,014,101</u>	<u>144,410,951</u>	4
(a)	Operating Expenses				
5	Purchased Power	104,044,363	100,578,800	96,735,650	5
6	Other Operations and Maintenance Expense	24,610,883	23,914,744	23,801,447	6
7	Depreciation and Amortization	10,779,777	10,288,751	8,610,447	7
8	Taxes Other than Income Taxes	3,345,933	3,554,798	3,567,131	8
9	Income Taxes	3,281,751	2,940,344	2,858,410	9
10	Total Operating Expenses	<u>146,062,707</u>	<u>141,277,437</u>	<u>135,573,085</u>	10
11	Operating Income	<u>9,351,874</u>	<u>8,736,664</u>	<u>8,837,866</u>	11
	Total Other Income and Deductions				
12	Allowance for Equity Funds	416,723	178,104	185,444	12
13	Other - Net	<u>948,020</u>	<u>1,054,653</u>	<u>(27,276)</u>	13
14	Total Other Income and Deductions	<u>1,364,743</u>	<u>1,232,757</u>	<u>158,168</u>	14
15	Income Before Interest Expense	<u>10,716,617</u>	<u>9,969,421</u>	<u>8,996,034</u>	15
	Interest Expense				
16	Interest on Long Term-Debt	4,794,162	4,777,537	4,716,906	16
17	Other Interest Expense	750,359	385,373	199,648	17
18	Allowance for Borrowed Funds	<u>(475,221)</u>	<u>(188,091)</u>	<u>(258,600)</u>	18
19	Total Interest Expense	<u>5,069,300</u>	<u>4,974,819</u>	<u>4,657,954</u>	19
20	Net Income Available for Common Stock	<u>\$5,647,317</u>	<u>\$4,994,602</u>	<u>\$4,338,080</u>	20
21	Earnings Per Share of Average Common Stock Outstanding	(1)	N/A	N/A	21

(1) UNS Electric, Inc. is a subsidiary of UniSource Energy Corporation and has no publicly traded stock; thus such information is not meaningful.

Supporting Schedules      Recap Schedules  
(a) E-6 BMGS              A-2 BMGS  
E-9 BMGS



UNIS Electric, Inc.

Comparative Statements of Cash Flows

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

(Thousands of Dollars)

Line No.	Description	Prior Years Ended December 31,		Line No.
		2005	2004	
	Cash Flows from Operating Activities			
1	Cash Receipts from Retail Customers	\$159,818	\$151,374	1
2	Other Cash Receipts	2,730	1,329	2
3	Purchased Power Costs Paid	(98,091)	(93,924)	3
4	Wages Paid, Net of Amounts Capitalized	(5,200)	(4,823)	4
5	Payment of Other Operations and Maintenance Costs	(16,614)	(13,161)	5
6	Saguaro Termination Fee	0	(540)	6
7	Interest Paid, Net of Amounts Capitalized	(4,313)	(4,296)	7
8	Taxes Paid, Net of Amounts Capitalized	(14,979)	(15,308)	8
9	Income Taxes Paid	(2,400)	(1,728)	9
10	Other Cash Payments	(414)	(365)	10
11	Net Cash Flows from Operating Activities	20,537	18,558	11
	Cash Flows From Investing Activities			
12	Capital Expenditures	(29,951)	(19,005)	12
13	Purchase of Citizens Assets	0	(2)	13
14	Net Cash Flows from Investing Activities	(29,951)	(19,007)	14
	Cash Flows from Financing Activities			
15	Proceeds from Borrowings under Revolver	5,000	0	15
16	Repayment of Borrowings under Revolver	0	0	16
17	Payment of Debt Issuance Costs	(181)	(376)	17
18	Equity Investment from UniSource Energy Services	4,000	0	18
19	Customer Advance Receipts	4,521	1,186	19
20	Customer Advance Refunds	(838)	(592)	20
21	Other	(4,455)	(2,061)	21
22	Net Cash Flows from Financing Activities	8,047	(1,843)	22
23	Net Increase (Decrease) in Cash and Cash Equivalents	(1,367)	(2,292)	23
24	Cash and Cash Equivalents, Beginning of Period	9,132	11,424	24
25	Cash and Cash Equivalents, End of Period	\$7,765	\$9,132	25

Supporting Schedules  
N/A

Recap Schedules  
A-5 BMGS

UNS Electric, Inc.  
Comparative Statements of Changes in Stockholders' Equity (Deficit)  
Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004  
(Thousands of Dollars, except shares outstanding)

Line No.	Description	Common Stock Shares Outstanding	Common Stock Amount	Premium on Common Stock	Common Stock Expense	Accumulated Earnings or (Deficit)	Comprehensive Income	Total Common Stock Equity or (Deficit)	Line No.
1	Balance, December 31, 2003	\$1,000	\$34,636	\$0	\$0	\$1,948	\$0	\$36,584	1
2	Net Income for Year					4,338		4,338	2
3	Dividend Declared					0		0	3
4	Equity in Earnings					0		0	4
5	Equity Contribution from UniSource Energy Services		0					0	5
6	Other	0	(19)					(19)	6
7	Balance, December 31, 2004	1,000	34,617	0	0	6,286		40,903	7
8	Net Income for Year					4,995		4,995	8
9	Dividend Declared					0		0	9
10	Equity in Earnings					0		0	10
11	Minimum Pension Liability Adjustment						0	0	11
12	Equity Contribution from UniSource Energy Services		4,000					4,000	12
13	Other	0	0					0	13
14	Balance, December 31, 2005	1,000	38,617	0	0	11,281	0	49,898	14
15	Net Income for Six Months Ended June 30, 2006					2,095		2,095	15
16	Dividend Declared					0		0	16
17	Equity in Earnings					0		0	17
18	Minimum Pension Liability Adjustment						(406)	(406)	18
19	Equity Contribution from UniSource Energy Services		10,000					10,000	19
20	Balance, June 30, 2006	\$1,000	\$48,617	\$0	\$0	\$13,376	(\$406)	\$61,587	20

Supporting Schedules  
N/A

Recap Schedules  
N/A

## Black Mountain Generating Station

UNS Electric, Inc.  
Detail of Electric Utility Plant - Summary Statement  
Test Year Ended June 30, 2006

Line No.	Description	June 30, 2006 (a)	Net Additions (a)	December 31, 2005 (a)	Line No.
1	Utility Plant in Service				1
	Intangible Plant	\$10,534,562	(\$85,082)	\$10,619,644	
2	Other Production Plant	27,352,778	12,163,910	15,188,868	2
3	Transmission Plant	43,432,645	68,830	43,363,815	3
4	Distribution Plant	275,933,925	14,516,488	261,417,437	4
5	General Plant	22,938,587	2,823,171	20,115,416	5
6	Gross Plant in Service	380,192,497	29,487,317	350,705,180	6
7	Construction Work in Progress	10,802,314	(9,770,462)	20,572,776	7
8	Plant Held for Future Use	0	0	0	8
9	Utility Plant Under Capital Leases	730,678	0	730,678	9
10	Citizens Acquisition Discount	(104,266,123)	0	(104,266,123)	10
11	Total Utility Plant	287,459,366	19,716,855	267,742,511	11
12	Accumulated Depreciation and Amortization	(159,524,693)	(7,968,527)	(151,556,166)	12
13	Accumulated Amortization - Capital Leases	(289,226)	(45,667)	(243,559)	13
14	Accumulated Amort. - Citizens Acquisition Discount	12,642,562	2,186,331	10,456,231	14
15	Total Accumulated Depreciation and Amortization	(147,171,357)	(5,827,863)	(141,343,494)	15
16	Total Net Utility Plant in Service	\$140,288,009	\$13,888,992	\$126,399,017	16

Recap Schedules  
E-1 BMGSSupporting Schedules  
(a) E-5 (P2-4) BMGS

UNS Electric, Inc.  
Detail of Electric Utility Plant  
Test Year Ended June 30, 2006

Line No.	Acct. No.	Description	June 30, 2006	Net Additions	December 31, 2005	Line No.
1	302	Intangible Plant				1
2	303	Franchises & Consents	\$11,908	\$0	\$11,908	2
3		Miscellaneous Intangible Plant	10,522,654	(85,082)	10,607,736	3
		Total Intangible Plant	10,534,562	(85,082)	10,619,644	
4	340	Other Production Plant				4
5	341	Land & Rights	765,874	0	765,874	5
6	342	Structures & Improvements	1,141,496	522,252	619,244	6
7	343	Fuel Holders, Producers, & Accessories	1,163,837	532,473	631,364	7
8	344	Prime Movers	15,413,970	6,729,891	8,684,079	8
9	345	Generators	4,850,577	2,541,445	2,309,132	9
10	346	Accessory Electric Equipment	3,106,439	1,421,243	1,685,196	10
11		Misc. Power Plant Equipment	910,585	416,608	493,979	11
		Total Other Production Plant	27,352,778	12,163,910	15,188,868	
12	350	Transmission Plant				12
13	352	Land & Rights	1,277,990	0	1,277,990	13
14	353	Structures & Improvements	191,668	0	191,668	14
15	354	Station Equipment	17,749,373	91,728	17,657,645	15
16	355	Towers & Fixtures	521,825	0	521,825	16
17	356	Poles & Fixtures	12,270,356	(14,814)	12,285,170	17
18	357	Overhead Conductors & Devices	11,237,573	(8,084)	11,245,657	18
19	359	Roads & Trails	183,860	0	183,860	19
		Total Transmission Plant	43,432,645	68,830	43,363,815	
20	360	Distribution Plant				20
21	361	Land & Rights	1,237,885	41,484	1,196,401	21
22	362	Structures & Improvements	4,079,498	681,251	3,398,247	22
23	364	Station Equipment	32,948,470	4,546,004	28,402,466	23
24	365	Poles, Towers, & Fixtures	76,284,703	687,821	75,596,882	24
25	366	Overhead Conductors & Devices	49,720,736	1,409,966	48,310,770	25
26	367	Underground Conduit	12,601,063	474,196	12,126,867	26
27	368	Underground Conductors & Devices	27,259,007	4,282,615	22,976,392	27
28	369	Line Transformers	47,499,187	1,840,762	45,658,425	28
29	370	Services	10,695,563	82,528	10,613,035	29
30	373	Meters	9,796,742	428,519	9,368,223	30
31		Street Lights and Signal Systems	3,811,071	41,342	3,769,729	31
		Total Distribution Plant	275,933,925	14,516,488	261,417,437	

UNS Electric, Inc.  
Detail of Electric Utility Plant  
Test Year Ended June 30, 2006

Line No.	Acct No.	Description	June 30, 2006	Net Additions	December 31, 2005	Line No.
		General Plant				
32	389	Land & Rights	57,580	0	57,580	32
33	390	Structures & Improvements	1,852,506	(593,232)	2,445,738	33
34	391	Office Furniture & Equipment	3,220,489	54,363	3,166,126	34
35	392	Transportation Equipment	10,340,406	2,691,785	7,648,621	35
36	393	Stores Equipment	122,871	0	122,871	36
37	394	Tools, Shop, & Garage Equipment	2,442,774	51,019	2,391,755	37
38	395	Laboratory Equipment	1,308,029	499,921	808,108	38
39	396	Power Operated Equipment	1,209,326	241,068	968,258	39
40	397	Communication Equipment	2,262,795	(128,921)	2,391,716	40
41	398	Miscellaneous Equipment	121,811	7,168	114,643	41
42		Total General Plant	<u>22,938,587</u>	<u>2,823,171</u>	<u>20,115,416</u>	42
43		Total Electric Plant in Service	<u>\$380,192,497</u>	<u>\$29,487,317</u>	<u>\$350,705,180</u>	43

Supporting Schedules  
N/A

Recap Schedules  
E-5 (P1) BMGS

**Black Mountain Generating Station**

UNS Electric, Inc.  
Detail of Electric Utility Plant  
Test Year Ended June 30, 2006

Line No.	Acct. No.	Description	June 30, 2006	Net Additions	December 31, 2005	Line No.
		<b><u>Citizens Acquisition Discount</u></b>				
		<b><u>Intangible Plant</u></b>				
1	302	Franchises & Consents	(\$6,564)	\$0	(\$6,564)	1
2	303	Miscellaneous Intangible Plant	(2,461,277)	0	(2,461,277)	2
3		Total Intangible Plant	<u>(2,467,841)</u>	<u>0</u>	<u>(2,467,841)</u>	3
		<b><u>Other Production Plant</u></b>				
4	340	Land & Rights	(422,116)	0	(422,116)	4
5	341	Structures & Improvements	(149,938)	0	(149,938)	5
6	342	Fuel Holders, Producers, & Accessories	(301,386)	0	(301,386)	6
7	343	Prime Movers	(3,600,013)	0	(3,600,013)	7
8	344	Generators	(1,152,606)	0	(1,152,606)	8
9	345	Accessory Electric Equipment	(729,249)	0	(729,249)	9
10	346	Misc. Power Plant Equipment	(244,813)	0	(244,813)	10
11		Total Other Production Plant	<u>(6,600,121)</u>	<u>0</u>	<u>(6,600,121)</u>	11
		<b><u>Transmission Plant</u></b>				
12	350	Land & Rights	(704,372)	0	(704,372)	12
13	352	Structures & Improvements	(33,630)	0	(33,630)	13
14	353	Station Equipment	(5,911,873)	0	(5,911,873)	14
15	354	Towers & Fixtures	(236,215)	0	(236,215)	15
16	355	Poles & Fixtures	(3,190,115)	0	(3,190,115)	16
17	356	Overhead Conductors & Devices	(3,718,428)	0	(3,718,428)	17
18	359	Roads & Trails	(65,832)	0	(65,832)	18
19		Total Transmission Plant	<u>(13,860,465)</u>	<u>0</u>	<u>(13,860,465)</u>	19
		<b><u>Distribution Plant</u></b>				
20	360	Land & Rights	(642,985)	0	(642,985)	20
21	361	Structures & Improvements	(1,561,939)	0	(1,561,939)	21
22	362	Station Equipment	(9,648,864)	0	(9,648,864)	22
23	364	Poles, Towers, & Fixtures	(22,655,802)	0	(22,655,802)	23
24	365	Overhead Conductors & Devices	(13,519,363)	0	(13,519,363)	24
25	366	Underground Conduit	(4,511,041)	0	(4,511,041)	25
26	367	Underground Conductors & Devices	(5,562,021)	0	(5,562,021)	26
27	368	Line Transformers	(10,741,931)	0	(10,741,931)	27
28	369	Services	(4,012,470)	0	(4,012,470)	28
29	370	Meters	(3,060,324)	0	(3,060,324)	29
30	373	Street Lights and Signal Systems	(1,198,936)	0	(1,198,936)	30
31		Total Distribution Plant	<u>(77,115,676)</u>	<u>0</u>	<u>(77,115,676)</u>	31

Recap Schedules  
E-5 (P1) BMGS

Supporting Schedules  
N/A

UNS Electric, Inc.  
Detail of Electric Utility Plant  
Test Year Ended June 30, 2006

Line No.	Acct. No.	Description	June 30, 2006	Net Additions	December 31, 2005	Line No.
<b>Citizens Acquisition Discount</b>						
		General Plant				
32	389	Land & Rights	(31,735)	0	(31,735)	32
33	390	Structures & Improvements	(633,826)	0	(633,826)	33
34	391	Office Furniture & Equipment	(1,133,957)	0	(1,133,957)	34
35	392	Transportation Equipment	(522,769)	0	(522,769)	35
36	393	Stores Equipment	(40,540)	0	(40,540)	36
37	394	Tools, Shop, & Garage Equipment	(859,128)	0	(859,128)	37
38	395	Laboratory Equipment	(361,879)	0	(361,879)	38
39	396	Power Operated Equipment	(172,278)	0	(172,278)	39
40	397	Communication Equipment	(443,854)	0	(443,854)	40
41	398	Miscellaneous Equipment	(22,054)	0	(22,054)	41
42		Total General Plant	(4,222,020)	0	(4,222,020)	42
43		Total Electric Plant in Service	(\$104,266,123)	\$0	(\$104,266,123)	43

Supporting Schedules  
N/A

Recap Schedules  
E-5 (P1) BMGS

## Black Mountain Generating Station

UNS Electric, Inc.

## Comparative Departmental Operating Income Statements

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Line No.	Description	Prior Years Ended December 31,		Line No.
		June 30, 2006	2005	
1	Operating Revenues			
2	Electric Retail Revenues			1
3	Residential	\$78,490,108	\$75,144,071	2
4	Commercial	60,658,249	59,650,683	3
5	Industrial	14,244,550	13,260,955	4
6	Public Street & Highway Lighting	472,068	478,891	5
	Total Retail Revenues	153,864,975	148,534,600	6
7	Sales for Resale	246,016	239,707	7
8	Other Operating Revenue	1,303,590	1,239,794	8
9	Total Operating Revenues	155,414,581	150,014,101	9
10	Operating Expenses			
11	Purchased Power	104,044,363	100,578,800	10
12	Other Operations and Maintenance Expense	24,610,883	23,914,744	11
13	Depreciation and Amortization	10,779,777	10,288,751	12
14	Taxes Other than Income Taxes	3,345,933	3,554,798	13
15	Income Taxes	3,281,751	2,940,344	14
	Total Operating Expenses	146,062,707	141,277,437	15
16	Operating Income	\$9,351,874	\$8,736,664	16

Supporting Schedules

N/A

Recap Schedules

E-2 BMGS



UNS Electric, Inc.  
Electric Operating Statistics  
**Black Mountain Generating Station**

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Line No.	Description	Prior Years Ended December 31,			Line No.
		June 30, 2006	2005	2004	
	kWh Sales				
1	Residential	780,130,210	745,165,120	691,948,311	1
2	Commercial	607,723,971	591,365,909	573,880,220	2
3	Industrial	188,700,785	181,420,001	193,661,328	3
4	Public Street & Highway Lighting	2,956,313	2,995,533	3,143,324	4
5	Total	<u>1,579,511,279</u>	<u>1,520,946,563</u>	<u>1,462,633,183</u>	5
	Average Number of Customers				
6	Residential	75,431	73,490	70,020	6
7	Commercial	9,288	9,140	8,811	7
8	Industrial	9	9	10	8
9	Public Street & Highway Lighting	2,496	2,479	2,423	9
10	Total	<u>87,224</u>	<u>85,118</u>	<u>81,264</u>	10
	Average Annual kWh Use				
11	Residential	10,342	10,140	9,882	11
12	Commercial	65,431	64,701	65,132	12
13	Industrial	20,966,754	20,157,778	19,366,133	13
14	Public Street & Highway Lighting	1,184	1,208	1,297	14
15	Total	<u>18,109</u>	<u>17,869</u>	<u>17,999</u>	15
16	Average Annual Revenue per Residential Customer	\$1,041	\$1,023	\$1,000	16
17	Direct Production Expenses Per Retail and Wholesale kWh Sold (cents) (Expenses are primarily purchased power)	6.62	6.63	6.63	17
18	Direct Transmission Expenses Per Retail and Wholesale kWh Sold (cents) (Expenses are primarily transmission of electricity by others)	0.45	0.45	0.46	18

Supporting Schedules	Recap Schedules
N/A	N/A

## Black Mountain Generating Station

UNS Electric, Inc.

## Taxes Charged to Operations

Test Year Ended June 30, 2006 and Prior Years Ended December 31, 2005 and 2004

Line No.	Description	Prior Years Ended December 31,		Line No.
		2005	2004	
	Federal Taxes			
1	Income	\$4,444,293	(\$242,268)	1
2	Unemployment	6,056	3,771	2
3	FICA	331,059	309,089	3
4	Deferred Income Taxes	(2,037,256)	2,600,222	4
5	Total	2,744,152	2,670,814	5
	State Taxes			
6	Income	1,353,104	477,408	6
7	Unemployment	14,026	11,853	7
8	Deferred Income Taxes	(819,797)	23,048	8
9	Total	547,333	512,309	9
	Local Taxes			
10	Real and Personal Property	3,181,873	3,174,508	10
11	Other	88,564	67,910	11
12	Total	3,270,437	3,242,418	12
13	Total Taxes Charged to Operating Expenses	\$6,561,922	\$6,425,541	13

Note: Taxes and assessments related to sales of energy are not included in revenues or other tax expense categories.

Supporting Schedules

N/A

Recap Schedules

E-2 BMGS

UNS Electric, Inc.  
Test Year Ended June 30, 2006  
Notes to Financial Statements

See the attached FERC Form 3Q as of June 30, 2006 and the FERC Form 1 as of December 31, 2005.

Supporting Schedules  
N/A

Recap Schedules  
N/A



THIS FILING IS

Item 1: ☒ An Initial (Original) Submission OR ☐ Resubmission No. \_\_\_\_\_

Form 1 Approved  
OMB No. 1902-0021  
(Expires 7/31/2008)  
Form 1-F Approved  
OMB No. 1902-0029  
(Expires 6/30/2007)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 6/30/2007)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

UNS Electric, Inc.

Year/Period of Report

End of 2006/Q2

# INSTRUCTIONS FOR FILING FERC FORMS 1, 1-F and 3-Q

## GENERAL INFORMATION

### I Purpose

Form 1 is an annual regulatory support requirement under 18 CFR 141.1 for Major public utilities, licensees and others. Form 1-F is an annual regulatory support requirement under 18 CFR 141.2 for Nonmajor public utilities, licensees and others. Form 3-Q is a quarterly regulatory support requirement which supplements Forms 1 and 1-F under 18 CFR 141.400. The reports are designed to collect financial and operational information from major and nonmajor electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

### II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 CFR 101), must submit Form 1 as prescribed in 18 CFR Part 141.1. Each Nonmajor electric utility, licensee or other must submit Form 1-F as prescribed in 18 CFR Part 141.2. Each Major and Nonmajor electric utility licensee or other, must submit Form 3-Q as prescribed in 18 CFR Part 141.400.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

Nonmajor means having in each of the three previous calendar years, total annual sales of 10,000 megawatt hours or more

### III. What and Where to Submit

- (a) Submit Forms 1, 1-F and 3-Q electronically through the Form 1/3-Q Submission Software. Retain one copy of each report for your files.
- (b) Respondents may submit the Corporate Officer Certification electronically, or file/mail an original signed Corporate Officer Certification to:

Chief Accountant  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(c) Submit, immediately upon publication, four (4) copies of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 1, Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to the address in III(c) above.

(d) For the Annual CPA certification, submit with the original submission, or within 30 days after the filing date for Form 1, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 158.10-158.12 for specific qualifications.)

Reference	Reference Schedules	Pages
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Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the address indicated at III (b). Use the following form for the letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. insert parenthetical phrases only when exceptions are reported.

GENERAL INFORMATION (continued)

In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_ We have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph \_\_\_\_\_ (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist \_\_\_\_\_

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from: Public Reference and Files Maintenance Branch Federal Energy Regulatory Commission 888 First Street, NE, Room 2A ED-12.2 Washington, DC 20426 (202) 502-8371

IV. When to Submit:

Submit Form 1 according to the filing dates contained in section 18 CFR 141.1 of the Commission's regulations. Submit Form 1-F according to the filing dates contained in section 18 CFR 141.2 of the Commission's regulations. Submit Form 3-Q according to the filing dates contained in section 18 CFR 141.400 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. public reporting burden for the Form 1-F collection of information is estimated to average 112 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 150 hours per response. Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Mr. Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1/3-Q software and send a letter identifying which pages in the form have been revised. Send the letter to the Office of the Secretary.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

### DEFINITIONS

- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization
- II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.



Federal Power Act, 16 U.S.C. 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit: ... (3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power; .....

(11) "project" means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning ;he utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special" reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission my prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies".10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the \*form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be field..."

#### GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information of document required by the Commission in the course of an investigation conducted under this Act .... shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing .... "

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

01 Exact Legal Name of Respondent UNS Electric, Inc.		02 Year/Period of Report End of <u>2006/Q2</u>
03 Previous Name and Date of Change (if name changed during year)  / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) One South Church Avenue, Suite 100 Tucson, Arizona 85701		
05 Name of Contact Person Karen G. Kissinger		06 Title of Contact Person Vice President and Controller
07 Address of Contact Person (Street, City, State, Zip Code) 3950 East Irvington Road Tucson, Arizona 85714		
08 Telephone of Contact Person, Including Area Code (520) 571-4000	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 08/29/2006

**QUARTERLY CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

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01 Name Kevin P. Larson	03 Signature  Kevin P. Larson	04 Date Signed (Mo, Da, Yr) 08/29/2006
02 Title Vice President and Treasurer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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**IMPORTANT CHANGES DURING THE QUARTER/YEAR**

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report 2006/Q2
UNN Electric, Inc.			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None

2. None

3. None

4. None

5. None

6. None

7. None

8. None

9. None

10. None

11. N/A

12. See Notes on pages 122 and 123.

13. Catherine Nichols resigned as Assistant Secretary, effective May 9, 2006. Carl Dabelstein was elected Assistant Treasurer, effective May 22, 2006.

14. N/A

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	380,923,175	351,435,858
3	Construction Work in Progress (107)	200-201	10,802,314	20,572,776
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		391,725,489	372,008,634
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	251,437,480	245,609,617
6	Net Utility Plant (Enter Total of line 4 less 5)		140,288,009	126,399,017
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		140,288,009	126,399,017
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		0	0
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		1,913,888	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		722,166	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,636,054	0
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		6,194,969	7,764,900
36	Special Deposits (132-134)		11,340	11,340
37	Working Fund (135)		24,661	272,558
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		9,965,805	8,355,687
41	Other Accounts Receivable (143)		40,053	42,830
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		110,755	120,696
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		132,135	213,744
45	Fuel Stock (151)	227	190,240	201,840
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	5,750,240	5,449,821
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-26,312	250,770
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		557,603	367,143
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		9,472,403	7,525,785
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		1,913,888	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		1,913,888	0
65	Derivative Instrument Assets - Hedges (176)		722,166	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		722,166	0
67	Total Current and Accrued Assets (Lines 34 through 66)		32,202,382	30,335,722
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		455,448	569,607
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	0	0
73	Prelim. Survey and Investigation Charges (Electric) (183)		579,787	579,787
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		26,226	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	5,553	2,756
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	7,666,007	6,168,914
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		8,733,021	7,321,064
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		183,859,466	164,055,803





Name of Respondent UNS Electric, Inc.	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 08/29/2006	Year/Period of Report end of 2006/Q2
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,745,347	1,501,639
48	Miscellaneous Current and Accrued Liabilities (242)		446,689	276,080
49	Obligations Under Capital Leases-Current (243)		88,699	86,087
50	Derivative Instrument Liabilities (244)		1,598,960	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		1,598,960	0
52	Derivative Instrument Liabilities - Hedges (245)		1,395,094	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		1,395,094	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		37,279,524	35,688,430
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		8,692,444	6,124,788
57	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	487,810	528,478
60	Other Regulatory Liabilities (254)	278	6,716,077	6,067,127
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		2,732,440	2,711,081
64	Accum. Deferred Income Taxes-Other (283)		1,542,807	1,220,116
65	Total Deferred Credits (lines 56 through 64)		20,171,578	16,651,590
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		183,859,466	164,055,803



Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNS Electric, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	08/29/2006	End of <u>2006/Q2</u>

## STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.

10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.

11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.

13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.

14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.

15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
73,740,933	68,340,453					2
						3
59,998,865	55,858,889					4
1,019,486	997,759					5
7,347,558	6,947,750					6
						7
199,844	206,057					8
-2,143,635	-2,241,066					9
						10
						11
						12
						13
1,865,443	2,074,308					14
1,709,596	800,406					15
348,827	194,626					16
2,808,007	2,980,268					17
3,648,982	3,099,259					18
						19
						20
						21
						22
						23
						24
69,505,009	64,719,738					25
4,235,924	3,620,715					26

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		4,235,924	3,620,715	2,443,399	2,044,774
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		673	5,594		698
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		1,610	741		-69
33	Revenues From Nonutility Operations (417)		-4,163	-1,166	-4,163	-608
34	(Less) Expenses of Nonutility Operations (417.1)				11	
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		1,391			
38	Allowance for Other Funds Used During Construction (419.1)		434,290	195,671	230,174	117,544
39	Miscellaneous Nonoperating Income (421)					
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		430,581	199,358	226,000	117,703
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)	340				
45	Donations (426.1)	340	28,780	18,007	16,911	11,906
46	Life Insurance (426.2)					
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)					
49	Other Deductions (426.5)					
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		28,780	18,007	16,911	11,906
51	Taxes Applicable to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263				
53	Income Taxes-Federal (409.2)	262-263	134,112	61,509	69,612	36,197
54	Income Taxes-Other (409.2)	262-263	29,298	13,437	15,207	7,907
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277				
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		163,410	74,946	84,819	44,104
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		238,391	106,405	124,270	61,693
61	Interest Charges					
62	Interest on Long-Term Debt (427)		2,283,000	2,283,000	1,141,500	1,141,500
63	Amort. of Debt Disc. and Expense (428)		114,159	97,534	57,080	55,614
64	Amortization of Loss on Reacquired Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340				
68	Other Interest Expense (431)	340	488,413	123,427	271,770	72,041
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		506,565	219,435	268,803	126,736
70	Net Interest Charges (Total of lines 62 thru 69)		2,379,007	2,284,526	1,201,547	1,142,419
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		2,095,308	1,442,594	1,366,122	964,048
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		2,095,308	1,442,594	1,366,122	964,048

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		11,281,430	6,286,828
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12	Rounding		-1	
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)		-1	
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,095,308	1,442,594
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		13,376,737	7,729,422
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**STATEMENT OF CASH FLOWS**

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	2,095,000	1,443,000
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	5,404,000	4,913,000
5	Amortization of Deferred Debt-Related Costs	114,000	98,000
6	Provision for Bad Debts	127,000	66,000
7	Other	3,814,000	2,082,000
8	Deferred Income Taxes (Net)	-1,011,000	-119,000
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	-3,691,000	-1,354,000
11	Net (Increase) Decrease in Inventory	-12,000	-1,423,000
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	1,291,000	3,624,000
14	Net (Increase) Decrease in Other Regulatory Assets		
15	Net Increase (Decrease) in Other Regulatory Liabilities	649,000	543,000
16	(Less) Allowance for Other Funds Used During Construction	434,000	196,000
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-213,000	-611,000
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	8,133,000	9,066,000
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-19,707,000	-9,480,000
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-434,000	-196,000
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-19,273,000	-9,284,000
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-19,273,000	-9,284,000
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock		
64	Proceeds from Borrowings under Revolver	7,000,000	
65	Equity Investment from UniSource Energy	10,000,000	4,000,000
66	Net Increase in Short-Term Debt (c)		
67	Unamortized Debt Expense		-158,000
68	Other	-388,000	-1,231,000
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	16,612,000	2,611,000
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		
74	Preferred Stock		
75	Common Stock		
76	Payment of Debt Issuance Cost		-14,000
77	Payment to Retire Capital Lease Obligation	-42,000	-40,000
78	Net Decrease in Short-Term Debt (c)		
79	Repayment of Borrowing under Revolver	-7,000,000	
80	Dividends on Preferred Stock		
81	Dividends on Common Stock		
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	9,570,000	2,557,000
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-1,570,000	2,339,000
87			
88	Cash and Cash Equivalents at Beginning of Period	7,765,000	9,132,000
89			
90	Cash and Cash Equivalents at End of period	6,195,000	11,471,000



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report 2006/Q2
UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 18 Column:**

	2006	2005
Current Assets	\$ 57,000	\$ (445,000)
Current Liabilities	(270,000)	(166,000)
Total	\$ (213,000)	\$ (611,000)

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 08/29/2006	Year/Period of Report End of 2006/Q2
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report 2006/Q2
UNS Electric, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

#### NOTES TO PAGES 120 – 122:

##### Page 120 – Instruction 2:

Cash and cash equivalents include cash on hand and highly liquid investments with original maturities of three months or less.

The “Cash and Cash Equivalents” on page 121 agrees to the Comparative Balance Sheet on page 110.

##### Page 122, Instruction 2:

See Note 5, Commitments and Contingencies in the Notes to the Financial Statements.

##### Page 120, Instruction 3:

Interest Paid	\$ 2,565,000
Income Taxes Paid	\$ 425,000

##### Page 122, Instruction 6:

Notes to the Financial Statements as follows:

#### **NOTE 1. NATURE OF OPERATIONS AND BASIS OF ACCOUNTING PRESENTATION**

UNS Electric is an electric transmission and distribution company serving approximately 92,000 retail customers in Mohave and Santa Cruz Counties. UniSource Energy Services, Inc. (UES), an intermediate holding company, established UNS Electric on April 14, 2003, and owns all of the common stock of UNS Electric. UniSource Energy Corporation owns all of the common stock of UES.

References to “we” and “our” are to UNS Electric.

Weather, among other factors, causes seasonal fluctuations in UNS Electric’s sales; therefore, quarterly results are not indicative of annual operating results.

#### **BASIS OF PRESENTATION**

Our accounting policies conform to accounting principles generally accepted in the United States of America (GAAP), including the accounting principles for rate-regulated enterprises. These financial statements include UNS Electric’s accounts which are prepared in accordance with the accounting requirements from the Federal Energy Regulatory Commission (FERC) as stated in its applicable Uniform System of Accounts and published accounting releases. The basis of accounting differs from financial statements under accounting principles generally accepted in the United States of America (GAAP) in significant respects. Following are the FERC to GAAP differences:

##### ☐ **Statement of Cash Flows Difference**

The Statement of Cash Flows included in the financial statements differs from the GAAP presentation. The FERC requires the use of the indirect method to reconcile net income to cash provided by or used in operating activities while GAAP encourages the use of the direct method with a reconciliation of net income to net cash from the operating activities as a supplemental schedule.

##### ☐ **Asset Retirement Obligation**

The accumulated net removal costs for UNS Electric’s regulated plant assets that do not meet the definition of an asset retirement obligation under SFAS 143 are classified as a regulatory liability under GAAP and as accumulated depreciation under FERC.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
UNS Electric, Inc.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 08/29/2006	2006/Q2
NOTES TO FINANCIAL STATEMENTS (Continued)			

☐ **Other Differences**

The FERC requires current maturities of long-term debt to be classified as long-term debt, while GAAP requires such maturities to be classified as a current liability. Accumulated deferred income taxes are classified as current and non-current for GAAP, while FERC classifies all accumulated deferred taxes as non-current. Accumulated deferred income tax assets may not be netted against accumulated deferred income tax liabilities.

## **NOTE 2. REGULATORY MATTERS**

### **REGULATORY ACCOUNTING**

UNS Electric generally uses the same accounting policies and practices used by unregulated companies for financial reporting under GAAP. However, sometimes these principles, such as Statement of Financial Accounting Standards No. 71, *Accounting for the Effects of Certain Types of Regulation* (FAS 71), require special accounting treatment for regulated companies to show the effect of regulation. For example, in setting UNS Electric's retail rates, the Arizona Corporation Commission (ACC) may not allow UNS Electric to currently charge their customers to recover certain expenses, but instead may require that these expenses be charged to customers in the future. In this situation, FAS 71 requires that UNS Electric defer these items and show them as regulatory assets on the balance sheet until UNS Electric is allowed to charge its customers. UNS Electric then amortizes these items as expenses to the income statement as these charges are recovered from customers. Similarly, certain revenue items may be deferred as regulatory liabilities, which are also eventually amortized to the income statement as rates to customers are reduced.

The conditions a regulated company must satisfy to apply the accounting policies and practices of FAS 71 include:

- ☐ an independent regulator sets rates;
- ☐ the regulator sets the rates to recover specific costs of delivering service; and
- ☐ the service territory lacks competitive pressures to reduce rates below the rates set by the regulator.

### **IMPLICATIONS OF DISCONTINUING APPLICATION OF FAS 71**

UNS Electric's regulatory liabilities exceeded its regulatory assets by \$8 million at June 30, 2006. At December 31, 2005, UNS Electric's regulatory liabilities exceeded its regulatory assets by \$6 million. As of June 30, 2006, UNS Electric has \$7 million of regulatory liabilities that are not included in rate base. If UNS Electric stopped applying FAS 71 to its regulated operations, they would write off the related balances of their regulatory assets as an expense and would write off their regulatory liabilities as income on their income statements. Based on the regulatory asset and liability balances, if UNS Electric had stopped applying FAS 71 to its regulated operations, they would have recorded an extraordinary after-tax gain of \$5 million at June 30, 2006. UNS Electric's cash flows would not be affected if they stopped applying FAS 71.

## **NOTE 3. DEBT AND CAPITAL LEASES**

### **UNS GAS/ELECTRIC REVOLVER**

In June 2006, UniSource Energy made a \$10 million equity contribution to UNS Electric, and UNS Electric repaid \$7 million under the UNS Gas/Electric Revolver. At June 30, 2006, \$5 million remained outstanding under the UNS Gas/Electric Revolver.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report 2006/Q2
UNS Electric, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

#### **NOTE 4. ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND TRADING ACTIVITIES**

##### **POWER SUPPLY TRANSACTIONS**

UNS Electric presently has a full requirements power supply agreement that enables it to meet its load. The agreement expires May 31, 2008 and UNS Electric is in the process of replacing this energy resource. In order to reduce exposure to energy price risk resulting from the procurement of power, UNS Electric has entered into forward power purchase contracts for specified amounts of energy at specified prices over a given period of time, within established limits. UNS Electric's forward power purchase contracts meet the definition of a derivative and are required to be marked to market each reporting period. Some of these forward power contracts are accounted for as cash flow hedges. Unrealized gains and losses resulting from the change in the fair value of derivatives that meet the criteria for cash flow hedge accounting are recorded in Other Comprehensive Income rather than in current earnings. The unrealized gains and losses are reclassified into earnings when the related transactions settle or terminate. Unrealized gains and losses resulting from the change in fair value of derivatives not accounted for as cash flow hedges are recorded in Net Income.

For the three-month and six-month periods ended June 30, 2006, UNS Electric recorded unrealized losses of less than \$1 million in Other Comprehensive Income and unrealized gains of less than \$1 million in Net Income. UNS Electric did not have any derivatives during 2005.

The fair value of UNS Electric's derivative assets and liabilities were as follows:

	June 30, 2006
Derivative Assets – (Acct. 175)	\$-
Derivative Liabilities – (Acct. 244)	-
Derivative Assets – Hedges (Acct. 176)	3
Derivative Liabilities – Hedges (Acct. 245)	(3)

At June 30, 2006, the settlement dates of contracts accounted for as cash flow hedges extended through the fourth quarter of 2013. UNS Electric does not have any current Derivative Assets or Liabilities that are expected to be reclassified into earnings within the next twelve months. No unrealized gains and losses were reclassified into earnings from Other Comprehensive Income during the three months ended June 30, 2006 or the six months ended June 30, 2006.

#### **NOTE 5. COMMITMENTS AND CONTINGENCIES**

##### **COMMITMENTS**

In May 2006, UNS Electric entered into a 25 MW power supply agreement for the period June 2008 through December 2013. The 25 MW consists of 10 MW at a fixed price with the remaining 15 MW price indexed to natural gas prices. UNS Electric's minimum expected annual payment under this contract is \$9 million based on natural gas prices at the date of contract.

#### **NOTE 6. EMPLOYEE BENEFITS PLANS**

UNS Electric does not maintain a separate pension plan or other postretirement benefit plan for its employees. All regular employees are eligible to participate in the pension plan maintained by the company's parent, UES. A small group

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NOTES TO FINANCIAL STATEMENTS (Continued)			

of active employees are also eligible to participate in a postretirement medical benefit plan. UES allocates net periodic benefit cost based on service cost for participating employees.

## PENSION PLAN

UES maintains a noncontributory, defined benefit pension plan for substantially all regular employees. Benefits are based on years of service and the employee's average compensation. UES funds the plans by contributing at least the minimum amount required under Internal Revenue Service regulations.

## OTHER POSTRETIREMENT BENEFIT PLANS

UNS Electric provides postretirement medical benefits for current retirees and a small group of active employees. The majority of UNS Electric's employees do not participate in the postretirement medical plan.

The ACC allows UNS Electric to recover postretirement costs through rates only as benefit payments are made to or on behalf of retirees. The postretirement benefits are currently funded entirely on a pay-as-you-go basis. Under current accounting guidance, UNS Electric cannot record a regulatory asset for the excess of expense calculated per Statement of Financial Accounting Standards No. 106, *Employers' Accounting for Postretirement Benefits Other Than Pensions*, over actual benefit payments.

## COMPONENTS OF NET PERIODIC BENEFIT COST

The components of net periodic benefit costs are as follows:

	Pension Benefits		Other Postretirement Benefits	
	(UES)		(UNS Electric)	
	Six Months Ended		Six Months Ended	
	June 30,		June 30,	
	2006	2005	2006	2005
-Thousands of Dollars -				
<b>Components of Net Periodic Benefit Cost</b>				
Service Cost	\$ 479	\$ 469	\$ 6	\$ 6
Interest Cost	180	163	11	11
Expected Return on Plan Assets	(132)	(80)	-	-
Prior Service Cost Amortization	129	129	(4)	(4)
Recognized Actuarial Loss	-	-	4	6
<b>Net Periodic Benefit Cost</b>	<b>\$ 656</b>	<b>\$ 681</b>	<b>\$ 17</b>	<b>\$ 19</b>

## NOTE 7. INCOME AND OTHER TAXES

### INCOME TAXES

The differences between the income tax expense and the amount obtained by multiplying pre-tax income (loss) by the U.S. statutory federal income tax rate of 35% are as follows:

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UNs Electric, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Six Months Ended  
June 30,  
**2006      2005**  
-Thousands of Dollars-

<b>Federal Income Tax Expense at Statutory Rate</b>	<b>\$ 1,217</b>	<b>\$ 838</b>
State Income Tax Expense, Net of Federal Deduction	<b>160</b>	110
Other	<b>4</b>	3
<b>Total Federal and State Income Tax Expense</b>	<b>\$ 1,381</b>	<b>\$ 951</b>

## OTHER TAX MATTERS

On TEP's 2002 tax return they filed for an automatic change in accounting method relating to the capitalization of indirect costs to the production of electricity and self-constructed assets. The new accounting method was also used on the 2003 and 2004 returns for UNS Electric.

In August 2005, the Internal Revenue Service issued a ruling which draws into question the ability of electric utilities to use the new accounting method. UNS Electric believes the IRS position is without merit, and intends to vigorously pursue this issue. However, if the IRS were to prevail and disallow the change in its entirety UNS Electric could be required to pay up to \$1 million, in taxes and interest in the second half of 2006. Such payment would not affect total tax expense.

## OTHER TAXES

UNS Electric acts as conduits or collection agents for excise tax (sales tax) as well as franchise fees and regulatory assessments. They record liabilities payable to governmental agencies when they bill their customers for these amounts. Neither the amounts billed nor payable are reflected in the income statement.

## NOTE 8. NEW ACCOUNTING PRONOUNCEMENTS

The FASB recently issued the following Statements of Financial Accounting Standards (FAS), FASB Interpretations (FIN), and FASB Staff Positions (FSP):

- ☐ FAS 155, *Accounting for Certain Hybrid Financial Instruments*, issued February 2006, permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that had previously been bifurcated pursuant to Statement 133 and eliminates a restriction in Statement 140 on the passive derivative instruments that a qualifying special-purpose entity may hold. FAS 155 is effective for all financial instruments acquired or issued or subject to remeasurement in fiscal year that begin after September 15, 2006. We are evaluating the impact of FAS 155 on our financial statements.
- ☐ FSP FASB Technical Bulletin 85-4-1, *Accounting for Life Settlement Contracts by Third-Party Investors*, issued March 2006, allows an investor to account for its investment in a life settlement contract using either the investment method or the fair value method in periods subsequent to the initial recognition of the investment. Investments accounted for under the investment method are initially recorded at transaction price (the amount the investor pays to the insured party) plus any initial direct external costs. Subsequent costs to keep the policy in force are capitalized to the carrying amount. When the insured dies, the investor recognizes, in the income statement, the difference between the carrying amount of the investment in the life settlement contract and the life insurance proceeds of the underlying life insurance policy. Investments accounted for under the fair value method are initially recorded at transaction price and are subsequently remeasured to fair value each reporting period with

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UNN Electric, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

changes in fair value recognized in earnings in the period of the change. FSP FASB Technical Bulletin 85-4-1 is effective for fiscal years beginning after June 15, 2006. We are evaluating the impact of FSP FASB Technical Bulletin 85-4-1 on our financial statements.

- ☐ Emerging Issues Task Force Issue 06-3 (EITF 06-3), *How Taxes Collected from Customers and Remitted to Governmental Authorities Should Be Presented in the Income Statement (that Is, Gross versus Net Presentation)*, ratified June 2006, requires disclosure of a company's accounting policy decision to present taxes on either a gross (included in revenues and costs) or a net (excluded from revenues) basis. Additionally, a company must disclose the amounts of any taxes reported on a gross basis in interim and annual financial statements. EITF 06-3 is effective for interim and annual reporting periods beginning after December 15, 2006. See Note 7.
- ☐ FIN 48, *Accounting for Uncertainty in Income Taxes – an interpretation of FAS 109*, issued July 2006, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken in a tax return. We must determine whether it is more-likely-than-not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets the more-likely-than-not recognition threshold, the position is measured to determine the amount of benefit to recognize in the financial statements. Additionally, FIN 48 requires disclosure of a rollforward of total unrecognized tax benefits. We do not believe the adoption of FIN 48 will have a material effect on our financial position or results of operations. In anticipation of FIN 48, we have accounted for significant uncertain tax positions in a manner similar to that prescribed by FIN 48. FIN 48 is effective for fiscal years beginning after December 15, 2006.



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UNN Electric, Inc.			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Name of Respondent UNS Electric, Inc.		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	350,531,334	350,531,334		
4	Property Under Capital Leases	730,678	730,678		
5	Plant Purchased or Sold				
6	Completed Construction not Classified	29,661,163	29,661,163		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	380,923,175	380,923,175		
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	10,802,314	10,802,314		
12	Acquisition Adjustments				
13	Total Utility Plant (8 thru 12)	391,725,489	391,725,489		
14	Accum Prov for Depr, Amort, & Depl	251,437,480	251,437,480		
15	Net Utility Plant (13 less 14)	140,288,009	140,288,009		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	249,110,093	249,110,093		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	2,327,387	2,327,387		
22	Total In Service (18 thru 21)	251,437,480	251,437,480		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj				
33	Total Accum Prov (equals 14) (22,26,30,31,32)	251,437,480	251,437,480		

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
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					33

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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**ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION**

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

Line No.	Item (a)	Plant in Service Balance at End of Quarter (b)	Accumulated Depreciation and Amortization Balance at End of Quarter (c)
1	Intangible Plant	10,534,563	2,038,160
2	Steam Production Plant		
3	Nuclear Production Plant		
4	Hydraulic Production - Conventional		
5	Hydraulic Production - Pumped Storage		
6	Other Production	27,352,778	4,048,443
7	Transmission	43,432,646	18,367,964
8	Distribution	275,933,922	124,075,013
9	Regional Transmission and Market Operation		
10	General	22,938,588	11,074,786
11	TOTAL (Total of lines 1 through 10)	380,192,497	159,604,366

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UNN Electric, Inc.			
FOOTNOTE DATA			

**Schedule Page: 208 Line No.: 11 Column:**  
(248,553,4600) Per Comparative Balance Sheet" (Schedule Page:200, Line No:5, Column:a)

104,266,123	*FERC 0114	Electric Plant Acquisition Adjustments
(11,549,397)	*FERC 0115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments
241,276	FERC 1111	Accumulated Provision for Amortization of Electric Plant
25,117	FERC 1113	Capital Leases
(50,213)	FERC 0108	Retirement Work in Progress
(155,620,554)	Per "Plant in Service and Accumulated Provision for Depreciation by Function" (Schedule Page:208, Line No:11, Column:b)	

\* Per Regulatory Order, the acquisition discount associated with electric plant assets acquired from Citizens Communications in August, 2003 was to be credited to and amortized from Accumulated Depreciation.

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**OTHER REGULATORY ASSETS (Account 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	N/A					
2						
3						
4						
5						
6						
7						
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9						
10						
11						
12						
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31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	TOTAL				0	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**OTHER REGULATORY LIABILITIES (Account 254)**

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Purchase Power Fuel Adj. Clause	4,873,331	555/565	28,503,343	28,292,267	4,662,255
2	ACC Decision #66028					
3	Issued July 2003					
4						
5	Environmental Friendly Portfolio Surcharge	1,918,358	456		135,464	2,053,822
6	ACC Decision # 63360					
7	Issued February 2001					
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	6,791,689		28,503,343	28,427,731	6,716,077

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
<b>ELECTRIC OPERATING REVENUES (Account 400)</b>				
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p>				
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	
1	Sales of Electricity			
2	(440) Residential Sales	36,109,605		
3	(442) Commercial and Industrial Sales			
4	Small (or Comm.) (See Instr. 4)	29,299,721		
5	Large (or Ind.) (See Instr. 4)	7,387,167		
6	(444) Public Street and Highway Lighting	232,907		
7	(445) Other Sales to Public Authorities			
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales			
10	TOTAL Sales to Ultimate Consumers	73,029,400		
11	(447) Sales for Resale	125,529		
12	TOTAL Sales of Electricity	73,154,929		
13	(Less) (449.1) Provision for Rate Refunds			
14	TOTAL Revenues Net of Prov. for Refunds	73,154,929		
15	Other Operating Revenues			
16	(450) Forfeited Discounts			
17	(451) Miscellaneous Service Revenues	408,906		
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	177,098		
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues			
22	(456.1) Revenues from Transmission of Electricity of Others			
23	(457.1) Regional Control Service Revenues			
24	(457.2) Miscellaneous Revenues			
25				
26	TOTAL Other Operating Revenues	586,004		
27	TOTAL Electric Operating Revenues	73,740,933		



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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**ELECTRIC OPERATING REVENUES (Account 400)**

5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

7. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

8. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
193,427				2
				3
164,154				4
48,623				5
672				6
				7
				8
				9
406,876				10
735				11
407,611				12
				13
407,611				14

Line 12, column (b) includes \$ 1,801,460 of unbilled revenues.

Line 12, column (d) includes 22,019 MWH relating to unbilled revenues

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Functional Classification (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	N/A				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES				
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.				
Line No.	Account (a)	Year to Date Quarter (b)		
1	1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES			
2	Steam Power Generation - Operation (500-509)			
3	Steam Power Generation - Maintenance (510-515)			
4	Total Power Production Expenses - Steam Power			
5	Nuclear Power Generation - Operation (517-525)			
6	Nuclear Power Generation - Maintenance (528-532)			
7	Total Power Production Expenses - Nuclear Power			
8	Hydraulic Power Generation - Operation (535-540.1)			
9	Hydraulic Power Generation - Maintenance (541-545.1)			
10	Total Power Production Expenses - Hydraulic Power			
11	Other Power Generation - Operation (546-550.1)	187,022		
12	Other Power Generation - Maintenance (551-554.1)	166,824		
13	Total Power Production Expenses - Other Power	353,846		
14	Other Power Supply Expenses			
15	Purchased Power (555)	48,934,889		
16	System Control and Load Dispatching (556)			
17	Other Expenses (557)	-15,289		
18	Total Other Power Supply Expenses (line 15-17)	48,919,600		
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18)	49,273,446		
20	2. TRANSMISSION EXPENSES			
21	Transmission Operation Expenses			
22	(560) Operation Supervision and Engineering			
23	(561) Load Dispatching	36,481		
24	(561.1) Load Dispatch-Reliability			
25	(561.2) Load Dispatch-Monitor and Operate Transmission System	8,917		
26	(561.3) Load Dispatch-Transmission Service and Scheduling			
27	(561.4) Scheduling, System Control and Dispatch Services			
28	(561.5) Reliability, Planning and Standards Development			
29	(561.6) Transmission Service Studies			
30	(561.7) Generation Interconnection Studies			
31	(561.8) Reliability, Planning and Standards Development Services			
32	(562) Station Expenses	9,926		
33	(563) Overhead Line Expenses	1,771		
34	(564) Underground Line Expenses			
35	(565) Transmission of Electricity by Others	3,255,824		
36	(566) Miscellaneous Transmission Expenses	1,064		
37	(567) Rents	-1,042		
38	(567.1) Operation Supplies and Expenses (Non-Major)			

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES					
Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.					
Line No.	Account (a)	Year to Date Quarter (b)			
39	TOTAL Transmission Operation Expenses (Lines 22 - 38)	3,312,941			
40	Transmission Maintenance Expenses				
41	(568) Maintenance Supervision and Engineering				
42	(569) Maintenance of Structures				
43	(569.1) Maintenance of Computer Hardware				
44	(569.2) Maintenance of Computer Software				
45	(569.3) Maintenance of Communication Equipment				
46	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
47	(570) Maintenance of Station Equipment	12,191			
48	(571) Maintenance Overhead Lines	5,199			
49	(572) Maintenance of Underground Lines				
50	(573) Maintenance of Miscellaneous Transmission Plant				
51	(574) Maintenance of Transmission Plant				
52	TOTAL Transmission Maintenance Expenses (Lines 41 - 51)	17,390			
53	Total Transmission Expenses (Lines 39 and 52)	3,330,331			
54	3. REGIONAL MARKET EXPENSES				
55	Regional Market Operation Expenses				
56	(575.1) Operation Supervision				
57	(575.2) Day-Ahead and Real-Time Market Facilitation				
58	(575.3) Transmission Rights Market Facilitation				
59	(575.4) Capacity Market Facilitation				
60	(575.5) Ancillary Services Market Facilitation				
61	(575.6) Market Monitoring and Compliance				
62	(575.7) Market Facilitation, Monitoring and Compliance Services				
63	Regional Market Operation Expenses (Lines 55 - 62)				
64	Regional Market Maintenance Expenses				
65	(576.1) Maintenance of Structures and Improvements				
66	(576.2) Maintenance of Computer Hardware				
67	(576.3) Maintenance of Computer Software				
68	(576.4) Maintenance of Communication Equipment				
69	(576.5) Maintenance of Miscellaneous Market Operation Plant				
70	Regional Market Maintenance Expenses (Lines 65-69)				
71	TOTAL Regional Control and Market Operation Expenses (Lines 63,70)				
72	4. DISTRIBUTION EXPENSES				
73	Distribution Operation Expenses (580-589)	1,609,034			
74	Distribution Maintenance Expenses (590-598)	835,857			
75	Total Distribution Expenses (Lines 73 and 74)	2,444,891			

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES					
Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.					
Line No.	Account (a)	Year to Date Quarter (b)			
1	(901-905) Customer Accounts Expenses	2,391,417			
2	(907-910) Customer Service and Information Expenses	50,703			
3	(911-917) Sales Expenses				
4	8. ADMINISTRATIVE AND GENERAL EXPENSES				
5	Operations				
6	920 Administrative and General Salaries	379,894			
7	921 Office Supplies and Expenses	216,157			
8	(Less) 922 Administrative Expenses Transferred-Credit	84,797			
9	923 Outside Services Employed	1,449,652			
10	924 Property Insurance	32,944			
11	925 Injuries and Damages	323,273			
12	926 Employee Pensions and Benefits	553,959			
13	927 Franchise Requirements				
14	928 Regulatory Commission Expenses				
15	(Less) 929 Duplicate Charges-Credit				
16	930.1 General Advertising Expenses	603,253			
17	930.2 Miscellaneous General Expenses				
18	931 Rents	38,523			
19	TOTAL Operation (Total of lines 6 thru 18)	3,512,858			
20	Maintenance				
21	935 Maintenance of General Plant	14,704			
22	TOTAL Administrative and General Expenses (Total of lines 19 and 21)	3,527,562			

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
TOTAL					

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)**  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			0	0	0	

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
0	0	0	0	



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
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**TRANSMISSION OF ELECTRICITY BY ISO/RTOs**

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of 2006/Q2
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**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)**  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:  
FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Western Area Power Admn	FNS	461,521	448,322	1,773,979			1,773,979
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL		461,521	448,322	1,773,979			1,773,979



Name of Respondent UNS Electric, Inc.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/29/2006	Year/Period of Report End of <u>2006/Q2</u>
--	---	--	--

**AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS**

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				



Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006		Year/Period of Report End of 2006/Q2				
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	243	17	800	243					
2	February	219	22	800	219					
3	March	210	13	800	210					
4	Total for Quarter 1	672			672					
5	April	221	30	1700	221					
6	May	278	18	1700	278					
7	June	332	24	1700	332					
8	Total for Quarter 2	831			831					
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year	1,503			1,503					

Name of Respondent UNS Electric, Inc.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 08/29/2006		Year/Period of Report End of <u>2006/Q2</u>				
<b>MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD</b>										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Imports into ISO/RTO	Exports from ISO/RTO	Through and Out Service	Network Service Usage	Point-to-Point Service Usage	Total Usage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									





[illegible]

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THIS FILING IS

Item 1: ☒ An Initial (Original) Submission OR ☐ Resubmission No. \_\_\_\_\_

Form 1 Approved  
OMB No. 1902-0021  
(Expires 7/31/2008)  
Form 1-F Approved  
OMB No. 1902-0029  
(Expires 6/30/2007)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 6/30/2007)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

UNS Electric, Inc.

Year/Period of Report

End of 2005/Q4



# INSTRUCTIONS FOR FILING FERC FORMS 1, 1-F and 3-Q

## GENERAL INFORMATION

### I. Purpose

Form 1 is an annual regulatory support requirement under 18 CFR 141.1 for Major public utilities, licensees and others. Form 1-F is an annual regulatory support requirement under 18 CFR 141.2 for Nonmajor public utilities, licensees and others. Form 3-Q is a quarterly regulatory support requirement which supplements Forms 1 and 1-F under 18 CFR 141.400. The reports are designed to collect financial and operational information from major and nonmajor electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

### II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 CFR 101), must submit Form 1 as prescribed in 18 CFR Part 141.1. Each Nonmajor electric utility, licensee or other must submit Form 1-F as prescribed in 18 CFR Part 141.2. Each Major and Nonmajor electric utility licensee or other, must submit Form 3-Q as prescribed in 18 CFR Part 141.400.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

Nonmajor means having in each of the three previous calendar years, total annual sales of 10,000 megawatt hours or more

### III. What and Where to Submit

- (a) Submit Forms 1, 1-F and 3-Q electronically through the Form 1/3-Q Submission Software. Retain one copy of each report for your files.
- (b) Respondents may submit the Corporate Officer Certification electronically, or file/mail an original signed Corporate Officer Certification to:

Chief Accountant  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(c) Submit, immediately upon publication, four (4) copies of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 1, Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to the address in III(c) above.

(d) For the Annual CPA certification, submit with the original submission, or within 30 days after the filing date for Form 1, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

(i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 158.10-158.12 for specific qualifications.)

Reference	Reference
	Schedules Pages

Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the address indicated at III (b). Use the following form for the letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

GENERAL INFORMATION (continued)

In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_ We have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph \_\_\_\_\_ (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist \_\_\_\_\_

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from: Public Reference and Files Maintenance Branch Federal Energy Regulatory Commission 888 First Street, NE, Room 2A ED-12.2 Washington, DC 20426 (202).502-8371

IV. When to Submit:

Submit Form 1 according to the filing dates contained in section 18 CFR 141.1 of the Commission's regulations. Submit Form 1-F according to the filing dates contained in section 18 CFR 141.2 of the Commission's regulations. Submit Form 3-Q according to the filing dates contained in section 18 CFR 141.400 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. public reporting burden for the Form 1-F collection of information is estimated to average 112 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 150 hours per response. Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Mr. Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1/3-Q software and send a letter identifying which pages in the form have been revised. Send the letter to the Office of the Secretary.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

## DEFINITIONS

- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization
- II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

Federal Power Act, 16 U.S.C. 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit: ... (3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power; .....

(11) 'project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special\* reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies". 10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the \*form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

#### GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information of document required by the Commission in the course of an investigation conducted under this Act .... shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing .... "

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

01 Exact Legal Name of Respondent UNS Electric, Inc.		02 Year/Period of Report End of <u>2005/Q4</u>
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) One South Church Avenue, Suite 100 Tucson, Arizona 85701		
05 Name of Contact Person Karen G Kissinger		06 Title of Contact Person Vice President and Controller
07 Address of Contact Person (Street, City, State, Zip Code) 3950 East Irvington Road Tucson, Arizona 85714		
08 Telephone of Contact Person, Including Area Code (520) 571-4000	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 04/18/2006

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Kevin P Larson	03 Signature  Kevin P Larson	04 Date Signed (Mo, Da, Yr) 04/18/2006
02 Title Vice President, CFO, and Treasurer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

# BMGS

## Schedules F

UNS Electric, Inc.  
Income Statement - Test Year Ended June 30, 2006 and  
Projected Year Ended June 30, 2007 at Present and Proposed Rates

Line No.	Description	Test Year Ended June 30, 2006 (a)	Projected Year Ended June 30, 2007		Line No.
			Present Rates	Proposed Rates	
1	Operating Revenues	\$155,414,581	\$162,801,000	\$171,631,367	1
2	Operating Expenses				2
3	Purchased Power	(1) 104,044,363	109,950,000	101,116,400	3
4	Other Operations and Maintenance Expense	(1) 24,610,883	28,079,000	26,912,600	4
5	Depreciation and Amortization	(2) 10,779,777	13,799,002	13,799,002	5
6	Taxes Other than Income Taxes	(2) 3,345,933	4,348,074	4,348,074	6
	Total Operating Expenses	142,780,956	156,176,076	146,176,076	
7	Pre-Tax Operating Income	12,633,625	6,624,924	25,455,291	7
8	Other Income and Deductions				8
9	Allowance for Equity Funds	416,723	391,000	391,000	9
10	Other - Net	948,020	110,000	102,864	10
	Total Other Income and Deductions	1,364,743	501,000	493,864	
11	Income Before Interest Expense	13,998,368	7,125,924	25,949,155	11
12	Interest Expense				12
13	Interest on Long-Term Debt	(3) 4,794,162	6,935,758	6,935,758	13
14	Other Interest Expense	(4) 750,359	1,813,894	1,628,272	14
15	Allowance for Borrowed Funds	(475,221)	(321,000)	(321,000)	15
	Total Interest Expense	5,069,300	8,428,652	8,243,030	
16	Income Before Income Tax Expense	8,929,068	(1,302,728)	17,706,125	16
17	Income Tax Expense	(5) 3,281,751	(514,056)	6,986,837	17
18	Net Income Available for Common Stock	\$5,647,317	(\$768,672)	\$10,719,288	18
19	Earnings Per Share of Average Common Stock Outstanding	(6) N/A	N/A	N/A	19
20	Return on Average Common Equity	10.46%	-0.98%	12.38%	20

- (1) Purchase Power and Transmission Expense for Proposed Rates is adjusted to reflect the BMGS Pro Forma Adjustments from Schedule C-1 BMGS.  
(2) Projected year adjusted to reflect BMGS Pro Forma Adjustments from Schedule C-1 BMGS.  
(3) Projected year adjusted to reflect incremental long-term borrowing costs incurred to purchase the BMGS.  
(4) Projected year adjusted to reflect incremental short-term borrowing costs incurred to purchase the BMGS.  
(5) Projected year adjusted to reflect the income tax impact of BMGS Pro Forma adjustments.  
(6) UNS Electric, Inc. is a subsidiary of UniSource Energy Corporation and has no publicly traded stock; thus such information is not meaningful.

UNS Electric, Inc.  
Statement of Cash Flows - Test Year Ended June 30, 2006 and  
Projected Year Ended June 30, 2007 at Present and Proposed Rates  
(Thousands of Dollars)

Line No.	Description	Test Year Ended June 30, 2006 (a)	Projected Year Ended June 30, 2007		Line No.
			Present Rates	Proposed Rates	
1	Cash Flows from Operating Activities				1
2	Cash Receipts from Retail Customers	\$163,374	\$163,727	\$174,557	2
3	Other Cash Receipts	2,717	1,074	1,074	3
4	Purchased Power Costs Paid	(101,054)	(109,657)	(100,823)	4
5	Payment of Other Operations and Maintenance Costs	(22,016)	(26,250)	(27,416)	5
6	Interest Paid, Net of Amounts Capitalized	(4,731)	(8,008)	(7,822)	6
7	Taxes Paid, Net of Amounts Capitalized	(15,238)	(13,849)	(13,849)	7
8	Income Taxes Paid	(2,825)	(5,479)	(12,980)	8
9	Other Cash Payments	(384)	311	304	9
	Net Cash Flows from Operating Activities	19,843	3,869	13,045	
10	Cash Flows from Investing Activities				10
11	Capital Expenditures	(40,178)	(106,309)	(106,309)	11
12	Purchase of Citizens Assets	0	567	567	12
	Net Cash Flows from Investing Activities	(40,178)	(105,742)	(105,742)	
13	Cash Flow from Financing Activities				13
14	Net Borrowings	4,991	57,501	52,052	14
15	Equity Investment from UniSource Energy Services	10,000	39,310	39,310	15
16	Other	69	2,706	2,706	16
	Net Cash Flows from Financing Activities	15,060	99,517	94,068	
17	Net Increase (Decrease) in Cash	(\$5,275)	(\$2,356)	\$1,371	17

(1) Purchase Power and Transmission Expense for Proposed Rates is adjusted to reflect the BMGS Pro Forma Adjustments from Schedule C-1 BMGS.

(2) Projected year adjusted to reflect incremental long-term borrowing costs incurred to purchase the BMGS.

(3) Projected year adjusted to reflect BMGS Pro Forma Adjustments from Schedule C-1 BMGS.

(4) Projected year adjusted to reflect the income tax impact of BMGS Pro Forma adjustments.

(5) Projected year adjusted to reflect the purchase of the BMGS for \$60M.

(6) Projected year adjusted to reflect the incremental short-term and long-term borrowing resulting from the purchase of the BMGS.

(7) Projected year adjusted to reflect the incremental equity contribution resulting from the purchase of the BMGS.



UNS Electric, Inc.

Projected Construction Requirements

Test Year Ended June 30, 2006 and Projected Years 2007 through 2009 as of December 31  
(Thousands of Dollars)

Line No.	Description	Test Year Ended June 30, 2006 (a), (b)	Projected Year Ended December 31,			Total 2007-2009	Line No.
			2007 (a), (b)	2008 (a)	2009 (a)		
1	Other Production Plant (1)	\$11,841	\$0	\$60,000	\$0	\$60,000	1
2	Transmission Plant	3,197	7,547	8,701	19,646	35,894	2
3	Distribution Plant	21,353	28,217	26,160	20,289	74,666	3
4	General Plant	3,787	7,100	4,483	1,516	13,099	4
5	Total Construction Expenditures	<u>\$40,178</u>	<u>\$42,864</u>	<u>\$99,344</u>	<u>\$41,451</u>	<u>\$183,659</u>	5

(1) Reflects proposed purchase of the BMGS.

Supporting Schedules  
N/A

Recap Schedules  
(a) A-4 BMGS  
(b) F-2 BMGS

UNS Electric, Inc.  
Key Assumptions Used in Preparing Forecasts

**Customer Growth and Sales**

Retail customer growth is forecasted to be 4.6% from June 2006 to June 2007.  
Retail sales growth is forecasted to be 3.5% from June 2006 to June 2007.

**Purchased Power Costs**

Purchased power costs are based on contract terms specified in the power sales agreement with Pinnacle West Capital Corporation. For illustrative purposes, \$10M of purchase power and transmission costs savings are reflected in the projected year for the "Proposed Rates" scenario to reflect the proposed rate reclassification.

**Operations and Maintenance Expenses**

O&M Expenses for 2006 are based on the operating budget approved in December 2005.  
O&M Expenses for 2007 are based on a preliminary operating budget.

**Construction Expenditures**

Construction expenditures for 2006 are based on the capital budget approved in December 2005, stated net of forecasted CIAC. Construction expenditures for 2007 are based on a preliminary capital budget, stated net of forecasted CIAC.  
\$60M of additional construction expenditures for the purchase of the BMGS have been added in the projected year for illustrative purposes.

**Interest Rate Assumptions**

The interest rate on temporary investments is forecasted at 5.1% in 2007.  
The interest rate on short-term borrowing is forecasted at 6.1% in 2007.

**Capital Structure Changes**

The balance of common equity is forecasted to grow in 2006 and 2007 due to continued retention of earnings (no dividend is assumed). External financing needs are assumed to be met with borrowings under the UNS Electric, Inc. revolving credit facility and additional parent company equity contributions. Financing for the BMGS purchase is assumed to be made using the same mix and cost of capital proposed by UNS Electric, Inc. in the rate application.

# BMGS

## Schedules G

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
SUMMARY AT PRESENT RATES								
1 DEVELOPMENT OF RATE BASE								
2 ELECTRIC PLANT IN SERVICE		\$357,240,310	\$208,065,861	\$25,578,092	\$94,735,306	\$22,528,296	\$2,536,377	\$3,796,377
3 RESERVE FOR DEPRECIATION		148,300,627	87,714,638	11,025,418	38,644,840	8,235,751	1,044,178	1,635,803
4 DEFERRED TAXES & TAX CREDITS		1,154,833	703,732	92,247	272,469	60,577	7,100	18,708
5 WORKING CAPITAL		(9,757,769)	(6,066,177)	(820,194)	(2,248,547)	(377,278)	(54,488)	(191,085)
6								
7 TOTAL RATE BASE		\$200,336,747	\$114,988,778	\$13,824,728	\$54,114,388	\$13,975,844	\$1,444,812	\$1,988,196
8								
9 DEVELOPMENT OF RETURN								
10 SALES OF ELECTRICITY		\$156,651,860	\$80,583,883	\$10,297,839	\$48,754,713	\$14,999,784	\$1,423,816	\$591,825
11 SALES FOR RESALE		246,016	143,286	17,615	65,240	15,514	1,747	2,614
12 OTHER OPERATING REVENUE		1,589,014	817,411	104,457	494,549	152,152	14,443	6,003
13 TOTAL OPERATING REVENUE		158,486,890	81,544,580	10,419,910	49,314,502	15,167,450	1,440,005	600,443
14								
15 OPERATING EXPENSES								
16 OPERATION & MAINTENANCE		122,647,433	69,010,186	7,991,804	33,736,456	10,431,134	979,322	498,530
17 DEPRECIATION & AMORT EXPENSE		13,326,576	7,799,480	965,547	3,532,302	796,580	92,170	140,497
18 TAXES OTHER THAN INCOME TAX		3,904,607	2,290,181	284,615	1,021,338	235,946	27,102	45,424
19 STATE & FEDERAL INCOME TAX		4,012,056	2,336,724	287,260	1,063,943	253,008	28,485	42,636
20 TOTAL OPERATING EXPENSES		143,890,672	81,436,571	9,529,226	39,354,040	11,716,669	1,127,080	727,086
21								
22 OPERATING INCOME		\$14,596,219	\$108,009	\$890,685	\$9,960,462	\$3,450,781	\$312,925	(\$126,643)
23								
24 RATE OF RETURN		7.29%	0.09%	6.44%	18.41%	24.69%	21.66%	-6.37%
25								
26 INDEX RATE OF RETURN		1.00	0.01	0.88	2.53	3.39	2.97	-0.87
27								
28								
29								
30								
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

SUMMARY AT PROPOSED RATES						
1	ALOC	TOTAL	RESIDENTIAL	SGS	LGS	LPS
2	3	4	5	6	7	8
1 DEVELOPMENT OF RETURN AT EQUALIZED RATE LEVELS						
2						
3 RATE BASE		\$200,336,747	\$114,988,778	\$13,824,728	\$54,114,388	\$13,975,844
4 RETURN		\$19,816,541	\$11,374,248	\$1,367,489	\$5,352,787	\$1,382,437
5 RATE OF RETURN		9.89%	9.89%	9.89%	9.89%	9.89%
6						
7 OPERATION & MAINTENANCE EXPENSE		122,647,433	69,010,186	7,991,804	33,736,456	10,431,134
8 DEPRECIATION & AMORT EXPENSE		13,326,576	7,799,480	965,547	3,532,302	796,580
9 TAXES OTHER THAN INCOME TAX		3,904,607	2,290,181	284,615	1,021,338	235,946
10 STATE & FEDERAL INCOME TAX		7,325,006	9,486,567	589,852	(1,860,205)	(79,407)
11 TOTAL OPERATING EXPENSES		147,203,622	88,586,414	9,831,818	36,429,892	10,404,045
12						
13 TOTAL COST OF SERVICE		\$167,020,163	\$99,960,662	\$11,199,307	\$41,782,679	\$11,786,482
14 LESS:						
15 SALES FOR RESALE		246,016	143,286	17,615	65,240	15,514
16 OTHER OPERATING REVENUES		1,589,014	817,411	104,457	494,549	152,152
17 EQUALS:						
18 PROPOSED BASE RATE SALES OF ELECTRICITY		\$185,185,133	\$98,999,965	\$11,077,235	\$41,222,891	\$11,618,816
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
SUMMARY OF PROPOSED RATES								
1 DEVELOPMENT OF RETURN AT PROPOSED RATE LEVELS								
2								
3 SALES OF ELECTRICITY		\$165,185,133	\$98,999,965	\$11,077,235	\$41,222,891	\$11,618,816	\$1,145,914	\$1,120,313
4 SALES FOR RESALE		246,016	143,286	17,615	65,240	15,514	1,747	2,614
5 OTHER OPERATING REVENUE		1,589,014	817,411	104,457	494,549	152,152	14,443	6,003
6 TOTAL OPERATING REVENUE		167,020,163	99,960,662	11,199,307	41,782,679	11,786,482	1,162,103	1,128,930
7								
8 OPERATION & MAINTENANCE EXPENSE		122,647,433	69,010,186	7,991,804	33,736,456	10,431,134	979,322	498,530
9 DEPRECIATION & AMORT EXPENSE		13,326,576	7,799,480	965,547	3,532,302	796,580	92,170	140,497
10 TAXES OTHER THAN INCOME TAX		3,904,607	2,290,181	284,615	1,021,338	235,946	27,102	45,424
11 STATE & FEDERAL INCOME TAX		7,325,006	9,486,567	589,852	(1,860,205)	(1,059,616)	(79,407)	247,815
12 TOTAL OPERATING EXPENSES		147,203,622	88,586,414	9,831,818	36,429,892	10,404,045	1,019,188	932,266
13								
14 RETURN AT PROPOSED RATES		\$19,816,541	\$11,374,248	\$1,367,489	\$5,352,787	\$1,382,437	\$142,915	\$196,665
15								
16 RATE OF RETURN		9.89%	9.89%	9.89%	9.89%	9.89%	9.89%	9.89%
17 INDEX RATE OF RETURN		1.00	1.00	1.00	1.00	1.00	1.00	1.00
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
ELECTRIC PLANT IN SERVICE								
1 INTANGIBLE PLANT								
2 302-FRANCHISES & CONSENTS	PISXGENL	\$12,245	\$7,112	\$871	\$3,269	\$780	\$88	\$126
3 303-MISCELLANEOUS INTANG PLT	PISXGENL	10,820,492	6,284,699	769,383	2,888,364	689,222	77,440	111,385
4 302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL	(5,893)	(3,423)	(419)	(1,573)	(375)	(42)	(61)
5 303-MISC INTANGIBLE PLT - ACQ ADJ	PISXGENL	(2,210,062)	(1,283,636)	(157,145)	(589,942)	(140,772)	(15,817)	(22,750)
6 TOTAL INTANGIBLE PLANT		\$8,616,782	\$5,004,752	\$612,690	\$2,300,118	\$548,854	\$61,668	\$98,700
7								
8								
9 TOTAL OTHER PRODUCTION PLANT								
10 340-LAND & LAND RIGHTS	DTRAN	\$787,552	\$431,111	\$47,535	\$228,484	\$72,938	\$6,733	\$750
11 341-STRUCTURES & IMPROVE	DTRAN	2,830,753	1,549,572	170,860	821,257	262,168	24,202	2,695
12 342-FUEL HOLDERS, PROD, & ACC	DTRAN	4,159,313	2,276,834	251,050	1,206,698	385,211	35,560	3,959
13 343-PRIME MOVERS	DTRAN	55,251,317	30,244,917	3,334,887	16,029,487	5,117,056	472,374	52,595
14 344-GENERATORS	DTRAN	7,987,677	4,372,504	482,124	2,317,381	739,772	68,291	7,604
15 345-ACCESSORY ELECT EQUIP	DTRAN	10,382,928	5,683,680	626,698	3,012,291	961,606	88,769	9,884
16 346-MISC POWER PLANT EQUIP	DTRAN	2,727,444	1,493,020	164,624	791,285	252,800	23,318	2,596
17 340-LAND & LAND RIGHTS - ACQ ADJ	DTRAN	(379,032)	(207,484)	(22,878)	(109,965)	(35,104)	(3,241)	(361)
18 341-STRUCT & IMPROVE - ACQ ADJ	DTRAN	(134,634)	(73,699)	(8,126)	(39,060)	(12,469)	(1,151)	(128)
19 342-FUEL HLD, PROD, & ACC - ACQ ADJ	DTRAN	(270,624)	(148,141)	(16,334)	(78,513)	(25,064)	(2,314)	(258)
20 343-PRIME MOVERS - ACQ ADJ	DTRAN	(3,232,571)	(1,769,530)	(195,113)	(937,832)	(299,382)	(27,637)	(3,077)
21 344-GENERATORS - ACQ ADJ	DTRAN	(1,034,963)	(566,545)	(62,469)	(300,263)	(95,852)	(8,848)	(985)
22 345-ACCESS ELECT EQUIP - ACQ ADJ	DTRAN	(654,817)	(358,451)	(39,524)	(189,975)	(60,645)	(5,598)	(623)
23 346-MISC POWER PLT EQUIP - ACQ ADJ	DTRAN	(219,826)	(120,334)	(13,268)	(63,776)	(20,359)	(1,879)	(209)
24 TOTAL OTHER PRODUCTION PLANT		78,200,517	42,807,453	4,720,067	22,687,499	7,242,477	668,580	74,441
25 TOTAL PRODUCTION PLANT		\$78,200,517	\$42,807,453	\$4,720,067	\$22,687,499	\$7,242,477	\$668,580	\$74,441
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UNSELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ELECTRIC PLANT IN SERVICE CONTINUED							
ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1 TRANSMISSION PLANT							
2 350-LAND	\$994,163	\$544,211	\$60,006	\$288,426	\$92,074	\$8,500	\$946
3 352-STRUCTURES & IMPROVE	215,216	117,811	12,990	62,438	19,932	1,840	205
4 353-STATION EQUIPMENT	19,551,691	10,702,718	1,180,111	5,672,328	1,810,764	167,158	18,612
5 354-TOWERS & FIXTURES	590,018	322,980	35,613	171,176	54,644	5,044	562
6 355-POLES & FIXTURES	14,457,277	7,914,004	872,620	4,194,339	1,338,949	123,603	13,762
7 356-OVHD COND. & DEVICES	12,335,285	6,752,412	744,539	3,578,707	1,142,422	105,461	11,742
8 359-ROADS & TRAILS	198,333	108,569	11,971	57,540	18,368	1,696	189
9 350-LAND - ACQ ADJ	(632,479)	(346,223)	(38,175)	(183,495)	(58,577)	(5,407)	(602)
10 352-STRUCT & IMPROVE - ACQ ADJ	(30,197)	(16,530)	(1,823)	(8,761)	(2,797)	(258)	(29)
11 353-STATION EQUIPMENT - ACQ ADJ	(5,308,466)	(2,905,886)	(320,411)	(1,540,090)	(491,639)	(45,385)	(5,053)
12 354-TOWERS & FIXTURES - ACQ ADJ	(212,105)	(116,108)	(12,802)	(61,536)	(19,644)	(1,813)	(202)
13 355-POLES & FIXTURES - ACQ ADJ	(2,864,510)	(1,568,051)	(172,898)	(831,050)	(265,294)	(24,490)	(2,727)
14 356-OVHD COND. & DEVICES - ACQ ADJ	(3,338,898)	(1,827,734)	(201,531)	(968,680)	(309,229)	(28,546)	(3,178)
15 359-ROADS & TRAILS - ACQ ADJ	(59,113)	(32,359)	(3,568)	(17,150)	(5,475)	(505)	(56)
16 TOTAL TRANSMISSION PLANT	\$35,896,215	\$19,649,813	\$2,166,642	\$10,414,194	\$3,324,499	\$306,897	\$34,170
17							
18 DISTRIBUTION PLANT							
19 360-LAND & LAND RIGHTS	\$1,152,923	\$688,768	\$87,198	\$304,420	\$58,239	\$11,877	\$2,421
20 361-STRUCTURES & IMPROV	4,194,965	2,506,116	317,274	1,107,647	211,904	43,217	8,808
21 362-STATION EQUIPMENT	33,881,059	20,240,896	2,562,497	8,946,023	1,711,464	349,044	71,136
22 364-POLES, TOWERS & FIXTURES	78,443,902	46,863,199	5,932,880	20,712,486	3,962,506	808,132	164,699
23 365-OVERHEAD CONDUCT & DEV	51,128,334	30,544,596	3,866,945	13,500,029	2,582,690	526,726	107,348
24 366-UNDERGROUND CONDUIT	12,957,730	7,821,661	990,222	3,456,999	661,359	0	27,489
25 367-UNDERGROUND CONDUCTORS	28,030,559	16,920,057	2,142,079	7,478,287	1,430,671	0	59,465
26 368-LINE TRANSFORMERS	48,843,348	29,483,259	3,732,580	13,030,941	2,492,949	0	103,618
27 369-SERVICES	10,998,300	6,570,498	831,825	2,904,013	555,567	113,305	23,092
28 370-METERS	10,074,033	8,094,201	1,331,660	638,266	3,764	6,142	0
29 371-INSTALLATIONS CUST PREM	0	0	0	0	0	0	0
30 373-STREET LTG & SIGNAL SYS	3,918,940	0	0	0	0	0	3,918,940
31 360-LAND & LAND RIGHTS - ACQ ADJ	(577,357)	(344,919)	(43,667)	(152,447)	(29,165)	(5,948)	(1,212)
32 361-STRUCTURES & IMPROVE - ACQ ADJ	(1,402,517)	(837,878)	(106,075)	(370,323)	(70,847)	(14,449)	(2,945)
33 362-STATION EQUIPMENT - ACQ ADJ	(8,664,034)	(5,175,984)	(655,279)	(2,287,669)	(437,654)	(89,257)	(18,191)
34 364-POLES, TOWERS & FIXT - ACQ ADJ	(20,343,396)	(12,153,356)	(1,538,614)	(5,371,511)	(1,027,624)	(209,578)	(42,713)
35 365-OVERHEAD COND & DEV - ACQ ADJ	(12,139,483)	(7,252,253)	(918,135)	(3,205,334)	(613,212)	(125,061)	(25,488)
36 366-UNDERGRND CONDUCT - ACQ ADJ	(4,050,613)	(2,445,067)	(309,545)	(1,080,665)	(206,742)	0	(8,593)
37 367-UNDERGRND CONDUCT - ACQ ADJ	(4,994,323)	(3,014,718)	(381,663)	(1,332,438)	(254,909)	0	(10,595)
38 368-LINE TRANSFORMERS - ACQ ADJ	(9,645,535)	(5,822,324)	(737,106)	(2,573,337)	(492,305)	0	(20,462)
39 369-SERVICES - ACQ ADJ	(3,602,930)	(2,152,427)	(272,497)	(951,325)	(181,998)	(37,118)	(7,565)
40 370-METERS - ACQ ADJ	(2,747,966)	(2,207,914)	(363,247)	(174,104)	(1,027)	(1,675)	0
41 373-ST LTG & SIGNAL SYS - ACQ ADJ	(1,076,564)	0	0	0	0	0	(1,076,564)
42 TOTAL DISTRIBUTION PLANT	\$214,379,375	\$128,326,412	\$16,469,330	\$54,579,959	\$10,355,630	\$1,375,356	\$3,272,688
43							
44 TOTAL PROD, TRANS, & DIST PLT	\$328,476,108	\$190,783,678	\$23,356,039	\$87,681,652	\$20,922,606	\$2,350,833	\$3,381,299
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LOS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
ELECTRIC PLANT IN SERVICE CONTINUED							
1 GENERAL PLANT							
2 389-LAND & LAND RIGHTS	\$59,210	\$36,081	\$4,730	\$13,970	\$3,106	\$364	\$959
3 390-STRUCTURES & IMPROVEMENTS	1,904,939	1,160,832	152,165	449,447	99,924	11,712	30,859
4 391-OFFICE FURNITURE & EQUIP	3,311,643	2,018,049	264,532	781,342	173,713	20,362	53,647
5 392-TRANSPORTATION EQUIP	10,633,086	6,479,588	849,365	2,508,746	557,760	65,377	172,250
6 393-STORES EQUIPMENT	126,349	76,995	10,093	29,811	6,628	777	2,047
7 394-TOOLS, SHOP, & GARAGE EQUIP	2,511,915	1,530,711	200,650	592,656	131,763	15,444	40,692
8 395-LABORATORY EQUIPMENT	1,345,052	819,648	107,442	317,349	70,555	8,270	21,789
9 396-POWER OPERATED EQUIP	1,243,554	757,797	99,334	293,401	65,231	7,646	20,145
10 397-COMMUNICATION EQUIPMENT	2,326,842	1,417,931	185,867	548,990	122,055	14,307	37,694
11 398-MISCELLANEOUS EQUIPMENT	125,259	76,330	10,006	29,553	6,570	770	2,029
12 399-OTHER TANGIBLE PROPERTY	(28,497)	(17,365)	(2,276)	(6,723)	(1,495)	(175)	(482)
13 389-LAND & LAND RIGHTS - ACQ ADJ	(589,133)	(346,818)	(45,462)	(134,280)	(29,854)	(3,499)	(9,220)
14 390-STRUCTURES & IMPROV - ACQ ADJ	(1,018,217)	(620,481)	(81,335)	(240,236)	(53,411)	(6,260)	(16,495)
15 391-OFFICE FURNITURE & EQ - ACQ ADJ	(118,753)	(72,366)	(9,486)	(28,018)	(6,229)	(730)	(1,924)
16 392-TRANSPORTATION EQUIP - ACQ ADJ	(36,402)	(22,182)	(2,908)	(8,589)	(1,909)	(224)	(590)
17 393-STORES EQUIPMENT - ACQ ADJ	(771,439)	(470,099)	(61,622)	(182,012)	(40,466)	(4,743)	(12,497)
18 394-TOOLS, SHOP, & GAR EQ - ACQ ADJ	(324,944)	(198,014)	(25,956)	(76,666)	(17,045)	(1,998)	(5,264)
19 395-LABORATORY EQUIP - ACQ ADJ	(154,694)	(94,267)	(12,357)	(36,498)	(8,114)	(951)	(2,506)
20 396-POWER OPER EQUIP - ACQ ADJ	(398,551)	(242,869)	(31,836)	(94,033)	(20,906)	(2,450)	(6,456)
21 397-COMMUNICATION EQUIP - ACQ ADJ	(19,803)	(12,068)	(1,582)	(4,672)	(1,039)	(122)	(321)
22 398-MISCELLANEOUS EQUIP - ACQ ADJ	0	0	0	0	0	0	0
23 TOTAL GENERAL PLANT	\$20,147,420	\$12,277,432	\$1,609,364	\$4,753,536	\$1,056,835	\$123,876	\$326,377
24							
25							
26 COMMON PLANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27							
28							
29 TOTAL PLANT IN SERVICE	\$357,240,310	\$208,065,861	\$25,578,092	\$94,735,306	\$22,528,296	\$2,536,377	\$3,796,377
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ALLOC	TOTAL	RESIDENTIAL	SGS	LGS	LPS	INTERRUPTIBLE	STREET LIGHTING
	1	2	3	4	5	6	7
ELECTRIC PLANT IN SERVICE CONTINUED							
1 LESS: RESERVE FOR DEPRECIATION							
2							
3 INTANGIBLE PLANT RESERVE							
4 302-FRANCH & CONSENTS							
5 303-MISC. INTANG PLT							
6 302-FRANCH & CONSENTS - ACQ ADJ							
7 303-MISC. INTANG PLT - ACQ ADJ							
8 TOTAL INTANGIBLE PLANT RESERVE							
9							
10 PRODUCTION PLANT RESERVE							
11 340-LAND & LAND RIGHTS							
12 341-STRUCT & IMPROVE							
13 342-FUEL HLD, PROD, & ACC							
14 343-PRIME MOVERS							
15 344-GENERATORS							
16 345-ACCESSORY ELECT EQ							
17 346-MISC POWER PLT EQUIP							
18 340-LAND & LAND RIGHTS - ACQ ADJ							
19 341-STRUCT & IMPROVE - ACQ ADJ							
20 342-FUEL HLD, PROD, & ACC - ACQ ADJ							
21 343-PRIME MOVERS - ACQ ADJ							
22 344-GENERATORS - ACQ ADJ							
23 345-ACCESSORY ELECT EQ - ACQ ADJ							
24 346-MISC POWER PLT EQUIP - ACQ ADJ							
25 TOTAL PRODUCTION PLANT RESERVE							
26							
27 TRANSMISSION PLANT RESERVE							
28 350-LAND							
29 352-STRUCTURES & IMPROV.							
30 353-STATION EQUIPMENT							
31 354-TOWERS & FIXTURES							
32 355-POLES & FIXTURES							
33 356-OVHD COND. & DEVICES							
34 359-ROADS & TRAILS							
35 350-LAND - ACQ ADJ							
36 352-STRUCTURES & IMPROV - ACQ ADJ							
37 353-STATION EQUIPMENT - ACQ ADJ							
38 354-TOWERS & FIXTURES - ACQ ADJ							
39 355-POLES & FIXTURES - ACQ ADJ							
40 356-OVHD COND. & DEVICES - ACQ ADJ							
41 359-ROADS & TRAILS - ACQ ADJ							
42 TOTAL TRANSMISSION PLANT RESERVE							
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1 GENERAL PLANT RESERVE CONTINUED							
2 389-LAND & LAND RIGHTS - ACQ ADJ	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 390-STRUCT & IMPROVE - ACQ ADJ	(47,555)	(28,979)	(3,799)	(11,220)	(2,494)	(292)	(770)
4 391-OFFICE FURN & EQUIP - ACQ ADJ	(393,965)	(240,074)	(31,470)	(92,951)	(20,665)	(2,422)	(6,382)
5 392-TRANSP EQUIP - ACQ ADJ	(93,842)	(57,185)	(7,496)	(22,141)	(4,922)	(577)	(1,520)
6 393-STORES EQUIPMENT - ACQ ADJ	(2,758)	(1,680)	(220)	(651)	(145)	(17)	(45)
7 394-TOOLS, SHOP, & GAR EQ - ACQ ADJ	(67,358)	(41,047)	(5,381)	(15,892)	(3,533)	(414)	(1,091)
8 395-LABORATORY EQUIP - ACQ ADJ	(22,641)	(13,797)	(1,809)	(5,342)	(1,188)	(139)	(367)
9 396-POWER OPER EQUIP - ACQ ADJ	(14,893)	(9,076)	(1,190)	(3,514)	(781)	(92)	(241)
10 397-COMMUNICATION EQUIP - ACQ ADJ	(47,589)	(29,000)	(3,801)	(11,228)	(2,496)	(293)	(771)
11 398-MISCELLANEOUS EQUIP - ACQ ADJ	(3,120)	(1,901)	(249)	(736)	(164)	(19)	(51)
12 TOTAL GENERAL PLANT RESERVE	\$10,402,481	\$6,339,062	\$830,944	\$2,454,338	\$545,663	\$63,959	\$168,514
13							
14 TOTAL RESERVE FOR DEPRECIATION	\$148,300,627	\$87,714,638	\$11,025,418	\$38,644,840	\$8,235,751	\$1,044,178	\$1,635,803
15							
16 NET PLANT IN SERVICE	\$208,939,683	\$120,351,223	\$14,552,675	\$56,090,466	\$14,292,545	\$1,492,200	\$2,160,573
17							
18							
19 ADDITIONS & DEDUCTIONS TO RATE BASE							
20							
21 DEFERRED TAXES AND TAX CREDITS							
22 PRODUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 TRANSMISSION	0	0	0	0	0	0	0
24 DISTRIBUTION	0	0	0	0	0	0	0
25 GENERAL	1,154,833	703,732	92,247	272,469	60,577	7,100	18,708
26 TOTAL DEF. TAXES AND TAX CREDITS	\$1,154,833	\$703,732	\$92,247	\$272,469	\$60,577	\$7,100	\$18,708
27							
28 WORKING CAPITAL							
29 CASH WORKING CAPITAL							
30 MATERIALS & SUPPLIES	(\$3,289,290)	(\$2,118,844)	(\$298,661)	(\$640,484)	(\$146,921)	(\$16,348)	(\$68,031)
31 FUEL RELATED	5,650,559	3,291,030	404,575	1,498,452	356,336	40,119	60,048
32 PREPAYMENTS	0	0	0	0	0	0	0
33 TOTAL CASH WORKING CAPITAL	351,825	226,633	31,945	68,507	15,715	1,749	7,277
34 CIAC & AMORT	\$2,713,094	\$1,398,819	\$137,859	\$926,474	\$225,129	\$25,519	(\$706)
35 CUSTOMER ADVANCES	0	0	0	0	0	0	0
36 CUSTOMER DEPOSITS	(8,692,444)	(5,203,253)	(667,782)	(2,213,054)	(419,890)	(55,767)	(132,698)
37 TOTAL CASH WORKING CAPITAL	(3,778,419)	(2,261,743)	(290,271)	(961,967)	(182,517)	(24,241)	(57,681)
38	(\$9,757,769)	(\$6,066,177)	(\$820,194)	(\$2,248,547)	(\$377,278)	(\$54,468)	(\$191,085)
39 TOTAL RATE BASE	\$200,336,747	\$114,988,778	\$13,824,728	\$54,114,388	\$13,975,844	\$1,444,812	\$1,988,196
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

OPERATING REVENUES		ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1	SALES REVENUES								
2	SALES OF ELECTRICITY		\$156,651,860	\$80,583,883	\$10,297,839	\$48,754,713	\$14,999,784	\$1,423,816	\$591,825
3	SALES FOR RESALE		246,016	143,286	17,615	65,240	15,514	1,747	2,614
4	TOTAL SALES REVENUE		156,897,876	80,727,169	10,315,453	48,819,954	15,015,298	1,425,563	594,440
5									
6	OTHER OPERATING REVENUES								
7	450-FORFEITED DISCOUNTS	SALESREV	0	0	0	0	0	0	0
8	451-MISCELLANEOUS SERVICE REV	SALESREV	1,099,279	565,484	72,263	342,128	105,259	9,991	4,153
9	454-RENT FROM ELEC PROPERTY	SALESREV	339,735	174,765	22,333	105,736	32,530	3,088	1,284
10	456-OTHER ELECTRIC REVENUES	SALESREV	150,000	77,162	9,861	46,684	14,363	1,363	567
11	TOTAL OTHER OPERATING REV		1,589,014	817,411	104,457	494,549	152,152	14,443	6,003
12									
13	TOTAL OPERATING REVENUES		\$158,486,890	\$81,544,580	\$10,419,910	\$49,314,502	\$15,167,450	\$1,440,005	\$600,443

1	SALES REVENUES
2	SALES OF ELECTRICITY
3	SALES FOR RESALE
4	TOTAL SALES REVENUE
5	
6	OTHER OPERATING REVENUES
7	450-FORFEITED DISCOUNTS
8	451-MISCELLANEOUS SERVICE REV
9	454-RENT FROM ELECT PROPERTY
10	456-OTHER ELECTRIC REVENUES
11	TOTAL OTHER OPERATING REV
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13	TOTAL OPERATING REVENUES
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
OPERATION & MAINTENANCE EXPENSE								
1 POWER PRODUCTION EXPENSE								
2 OTHER POWER GENERATION								
3 OPERATION								
4 546-SUPERVISION & ENGINEERING	LAB54750	\$2,264	\$1,239	\$137	\$657	\$210	\$19	\$2
5 547-FUEL	DPROD	266,198	145,718	16,067	77,229	24,654	2,276	253
6 548-GENERATION EXPENSES	PRODPIS	26,287	14,389	1,587	7,626	2,435	225	25
7 549-MISC OTH POWER GEN EXP	PRODPIS	52,481	28,728	3,168	15,226	4,860	449	50
8 550-RENTS	PRODPIS	0	0	0	0	0	0	0
9 550.1-OPER SUPPLIES & EXP	PRODPIS	0	0	0	0	0	0	0
10 TOTAL OPERATION EXPENSE		347,230	190,076	20,958	100,738	32,158	2,969	331
11 MAINTENANCE								
12 551-SUPERVISION & ENGINEER	LAB55254	54,625	29,902	3,297	15,848	5,059	467	52
13 552-STRUCTURES	PRODPIS	0	0	0	0	0	0	0
14 553-GENERATING & ELECT PLT	PRODPIS	255,461	139,841	15,419	74,114	23,659	2,184	243
15 554-MISC OTH POWER GEN PLT	PRODPIS	80,460	44,045	4,856	23,343	7,452	688	77
16 BLANK	PRODPIS	0	0	0	0	0	0	0
17 TOTAL MAINTENANCE EXPENSE		390,547	213,788	23,573	113,305	36,170	3,339	372
18 TOT OTH POWER GENERATION EXP		\$737,776	\$403,863	\$44,531	\$214,043	\$68,329	\$6,308	\$702
19								
20 OTHER POWER SUPPLY EXPENSES								
21 555-PURCHASED POWER								
22 DEMAND CHARGES	EPROD	(8,833,600)	(4,835,568)	(533,183)	(2,562,800)	(818,117)	(75,523)	(8,409)
23 ENERGY CHARGES	DPROD	0	0	0	0	0	0	0
24 ENERGY CHARGES	EPROD	106,021,950	58,037,080	6,399,327	30,759,041	9,819,137	906,441	100,925
25 OTHER CHARGES	EPROD	0	0	0	0	0	0	0
26 TOTAL PURCHASED POWER		97,188,350	53,201,512	5,866,144	28,196,241	9,001,020	830,918	92,516
27 556-SYS CONTRL & LOAD DISP	DPROD	0	0	0	0	0	0	0
28 557-OTHER EXPENSES	DPROD	202,235	110,704	12,207	58,672	18,730	1,729	193
29 TOTAL OTHER POWER SUPPLY EXP		\$97,390,585	\$53,312,216	\$5,878,351	\$28,254,913	\$9,019,750	\$832,647	\$92,708
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40 TOTAL POWER PRODUCTION EXP		\$98,128,361	\$53,716,080	\$5,922,882	\$28,468,956	\$9,088,078	\$838,954	\$93,411
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

SCHEDULE G-4  
PAGE 4 OF 11

ALOC		TOTAL	RESIDENTIAL	SGS	LGS	LPS	INTERRUPTIBLE	STREET LIGHTING
		1	2	3	4	5	6	7
OPERATION & MAINTENANCE EXPENSE CONTINUED								
1 DISTRIBUTION EXPENSES								
2 OPERATION								
3 580-SUPERVISION & ENGINEER								
4 581-LOAD DISPATCHING								
5 582-STATION EXPENSES								
6 583-OVERHEAD LINE EXPENSES								
7 584-UNDERGROUND LINE EXP								
8 585-STREET LIGHT & SIGNAL								
9 586-METER EXPENSES								
10 587-CUST INSTALLATIONS EXP								
11 588-MISC DISTRIBUTION EXP								
12 589-RENTS								
13 TOTAL OPERATION EXPENSE								
14 MAINTENANCE								
15 590-SUPERVISION & ENGINEER								
16 591-STRUCTURES								
17 592-STATION EQUIPMENT								
18 593-OVERHEAD LINES								
19 594-UNDERGROUND LINES								
20 595-LINE TRANSFORMERS								
21 596-STREET LIGHT & SIGNAL								
22 597-METERS								
23 598-MISC DISTRIBUTION PLANT								
24 BLANK								
25 TOTAL MAINTENANCE EXPENSE								
26 TOTAL DISTRIBUTION EXPENSES								
27								
28								

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
OPERATION & MAINTENANCE EXPENSE CONTINUED							
1 CUSTOMER ACCOUNTS EXPENSES							
2 901-SUPERVISION	\$172,327	\$129,439	\$21,295	\$10,207	\$3,945	\$98	\$7,343
3 902-METER READING EXPENSE	730,556	572,926	94,258	45,178	17,760	435	0
4 903-CUST RECORDS & COLL EXP	3,617,005	2,702,966	444,693	213,142	83,787	2,051	170,367
5 904-UNCOLLECTIBLE ACCOUNTS	579,538	298,122	38,097	180,369	55,492	5,267	2,189
6 905-MISC CUST ACCTS EXP	29,171	22,308	3,670	1,759	10	17	1,406
7 TOTAL CUSTOMER ACCTS EXPENSE	\$5,128,597	\$3,725,762	\$602,013	\$450,655	\$160,994	\$7,868	\$181,305
8							
9 CUSTOMER SERVICE & INFO EXP							
10 431-CUSTOMER DEPOSIT INTEREST	\$217,492	\$130,189	\$16,708	\$55,372	\$10,506	\$1,395	\$3,320
11 908-CUSTOMER ASSISTANCE EXP	34,001	27,319	4,495	2,154	13	21	0
12 909-INFO & INSTRUCT EXP	62,059	49,863	8,203	3,932	23	38	0
13 910-MISC CUST SERV & INFO EX	9,778	7,857	1,293	620	4	6	0
14 TOTAL CUST SERVICE & INFO EXP	\$323,330	\$215,227	\$30,699	\$62,078	\$10,546	\$1,460	\$3,320
15							
16 SALES EXPENSES							
17 911-SUPERVISION	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18 912-DEMONSTRATING & SELLING	0	0	0	0	0	0	0
19 913-ADVERTISING EXPENSE							
20 SAFETY	0	0	0	0	0	0	0
21 DSM	0	0	0	0	0	0	0
22 ENVIRONMENTAL	0	0	0	0	0	0	0
23 OTHER	0	0	0	0	0	0	0
24 TOTAL ACCOUNT 913	0	0	0	0	0	0	0
25 914-MISCELLANEOUS SALES EXP	0	0	0	0	0	0	0
26 TOTAL SALES EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27							
28 TOTAL OPER & MAINT EXCL A&G	\$114,889,627	\$64,257,198	\$7,364,152	\$31,930,610	\$10,038,107	\$932,578	\$366,982



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
OPERATION & MAINTENANCE EXPENSE CONTINUED							
1 ADMINISTRATION							
2 OPERATION							
3 920-ADMIN & GEN SALARIES							
4 LABXAG	\$770,768	\$478,198	\$64,197	\$173,023	\$36,599	\$4,432	\$14,319
5 LABXAG	535,854	332,453	44,631	120,289	25,445	3,081	9,955
6 LABXAG	(158,087)	(98,080)	(13,167)	(35,488)	(7,507)	(909)	(2,937)
7 LABXAG	3,317,593	2,058,292	276,320	744,736	157,533	19,077	61,635
8 923-OUTSIDE SERVICES EMPLOY							
9 924-PROPERTY INSURANCE							
10 PRODUCTION RELATED	0	0	0	0	0	0	0
11 TRANSMISSION RELATED	0	0	0	0	0	0	0
12 DISTRIBUTION RELATED	0	0	0	0	0	0	0
13 OTHER	65,598	38,206	4,697	17,396	4,137	466	697
14 925-INJURIES & DAMAGES							
15 LABXAG	512,417	317,912	42,679	115,028	24,332	2,947	9,520
16 LABXAG	1,172,133	727,211	97,626	263,121	55,658	6,740	21,776
17 TOTPIS	200,000	116,485	14,320	53,037	12,612	1,420	2,125
18 928-REGULATORY COMMISSION EXP							
19 TOTPIS	0	0	0	0	0	0	0
20 929-DUPLICATE CHARGES-CR.							
21 930-GENEAL ADVERTISING EX							
22 TOTPIS	1,231,035	716,986	88,141	326,454	77,632	8,740	13,082
23 931-RENTS	74,558	43,424	5,338	19,772	4,702	529	792
24 933-TRANSPORTATION EXPT							
25 TOTPIS	0	0	0	0	0	0	0
26 TOTAL OPERATION EXPENSE	7,721,869	4,731,088	624,781	1,797,367	391,143	46,524	130,965
27 MAINTENANCE							
28 935-MAINT OF GENERAL PLANT							
29 LABXAG	35,937	21,900	2,871	8,479	1,885	221	582
30 TOTAL ADMIN & GENERAL EXPENSE	7,757,807	4,752,988	627,652	1,805,846	393,028	46,745	131,548
31 PAYROLL EXPENSE ADJUSTMENT							
32 LABXAG	0	0	0	0	0	0	0
33 TOTAL OPERATION & MAINT EXP	\$122,647,433	\$69,010,186	\$7,991,804	\$33,736,456	\$10,431,134	\$979,322	\$498,530

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
DEPRECIATION & AMORTIZATION EXPENSE								
1 DEPRECIATION EXPENSE								
2								
3 INTANGIBLE DEPREC EXP								
4 302-FRANCH & CONSENTS	PISXGENL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 303-MISC. INTANG PLT	PISXGENL	718,281	417,188	51,073	191,734	45,752	5,141	7,394
6 302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL	0	0	0	0	0	0	0
7 303-MISC. INTANG PLT - ACQ ADJ	PISXGENL	279,729	162,471	19,890	74,669	17,818	2,002	2,880
8 TOTAL INTANGIBLE DEPREC EXPENSE		\$998,011	\$579,659	\$70,963	\$266,404	\$63,569	\$7,143	\$10,273
9								
10 PRODUCTION DEPREC EXP								
11 340-LAND & LAND RIGHTS	PRODPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12 341-STRUCT & IMPROVE	PRODPIS	49,381	27,031	2,981	14,326	4,573	422	47
13 342-FUEL HLD, PROD, & ACC	PRODPIS	88,288	48,329	5,329	25,614	8,177	755	84
14 343-PRIME MOVERS	PRODPIS	1,183,052	647,610	71,407	343,227	109,567	10,115	1,126
15 344-GENERATORS	PRODPIS	89,398	48,937	5,396	25,936	8,280	764	85
16 345-ACCESSORY ELECT EQ	PRODPIS	214,230	117,271	12,931	62,152	19,841	1,832	204
17 346-MISC POWER PLT EQUIP	PRODPIS	53,377	29,219	3,222	15,486	4,944	456	51
18 340-LAND & LAND RIGHTS - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0
19 341-STRUCT & IMPROVE - ACQ ADJ	PRODPIS	(1,997)	(1,093)	(121)	(579)	(185)	(17)	(2)
20 342-FUEL HLD, PROD, & ACC - ACQ ADJ	PRODPIS	(7,039)	(3,853)	(425)	(2,042)	(652)	(60)	(7)
21 343-PRIME MOVERS - ACQ ADJ	PRODPIS	(81,293)	(44,500)	(4,907)	(23,585)	(7,529)	(695)	(77)
22 344-GENERATORS - ACQ ADJ	PRODPIS	(7,452)	(4,080)	(450)	(2,162)	(690)	(64)	(7)
23 345-ACCESSORY ELECT EQ - ACQ ADJ	PRODPIS	(15,483)	(8,475)	(935)	(4,492)	(1,434)	(132)	(15)
24 346-MISC POWER PLT EQUIP - ACQ ADJ	PRODPIS	(4,418)	(2,418)	(267)	(1,282)	(409)	(38)	(4)
25 TOTAL PRODUCTION DEPREC EXPENSE		\$1,560,045	\$853,978	\$94,162	\$452,600	\$144,482	\$13,338	\$1,485
26								
27 TRANSMISSION DEPREC EXP								
28 350-LAND	TRANPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 352-STRUCTURES & IMPROV.	TRANPIS	7,906	4,328	477	2,294	732	68	8
30 353-STATION EQUIPMENT	TRANPIS	567,047	310,405	34,226	164,511	52,517	4,848	540
31 354-TOWERS & FIXTURES	TRANPIS	23,304	12,757	1,407	6,761	2,158	199	22
32 355-POLES & FIXTURES	TRANPIS	851,270	465,990	51,381	246,970	78,840	7,278	810
33 356-OVHD COND. & DEVICES	TRANPIS	340,089	186,167	20,527	98,666	31,497	2,908	324
34 359-ROADS & TRAILS	TRANPIS	4,044	2,213	244	1,173	374	35	4
35 350-LAND - ACQ ADJ	TRANPIS	0	0	0	0	0	0	0
36 352-STRUCTURES & IMPROV. - ACQ ADJ	TRANPIS	(1,224)	(670)	(74)	(355)	(113)	(10)	(1)
37 353-STATION EQUIPMENT - ACQ ADJ	TRANPIS	(166,589)	(91,192)	(10,055)	(48,331)	(15,428)	(1,424)	(159)
38 354-TOWERS & FIXTURES - ACQ ADJ	TRANPIS	(9,835)	(5,384)	(594)	(2,853)	(911)	(84)	(9)
39 355-POLES & FIXTURES - ACQ ADJ	TRANPIS	(177,631)	(97,236)	(10,722)	(51,534)	(16,451)	(1,519)	(169)
40 356-OVHD COND. & DEVICES - ACQ ADJ	TRANPIS	(97,244)	(53,232)	(5,870)	(28,213)	(9,006)	(831)	(93)
41 359-ROADS & TRAILS - ACQ ADJ	TRANPIS	(1,277)	(699)	(77)	(371)	(118)	(11)	(1)
42 TOTAL TRANSMISSION DEPREC EXPENSE		\$1,339,858	\$733,447	\$80,872	\$388,719	\$124,090	\$11,455	\$1,275
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
DEPRECIATION & AMORTIZATION EXPENSE								
1 DISTRIBUTION DEPREC EXPENSE								
2 360-LAND RIGHTS	PLT360	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 361-STRUCTURES & IMPROV	PLT361	128,059	76,504	9,685	33,813	6,469	1,319	269
4 362-STATION EQUIPMENT	PLT362	1,395,308	833,572	105,530	368,420	70,482	14,375	2,930
5 364-POLES, TOWERS & FIXTURES	PLT364	3,622,900	2,164,358	274,008	956,598	183,007	37,323	7,607
6 365-OVERHEAD CONDUIT & DEV	PLT365	2,167,134	1,294,668	163,905	572,215	109,470	22,326	4,550
7 366-UNDERGROUND CONDUIT	PLT366	555,792	335,492	42,473	148,280	28,367	0	1,179
8 367-UNDERGROUND COND & DEV	PLT367	1,256,674	758,565	96,034	335,269	64,140	0	2,666
9 368-LINE TRANSFORMERS	PLT368	2,333,199	1,408,386	178,302	622,475	119,086	0	4,950
10 369-SERVICES	PLT369	456,669	272,819	34,539	120,580	23,068	4,705	959
11 370-METERS	PLT370	275,816	221,611	36,459	17,475	103	168	0
12 371-INSTALLATIONS CUST PREM	PLT371	0	0	0	0	0	0	0
13 373-STRT LGHT & SIGNAL SYS	PLT373	155,623	0	0	0	0	0	155,623
14 360-LAND RIGHTS - ACQ ADJ	PLT360	0	0	0	0	0	0	0
15 361-STRUCTURES & IMPROV - ACQ ADJ	PLT361	(48,234)	(28,815)	(3,648)	(12,736)	(2,436)	(497)	(101)
16 362-STATION EQUIPMENT - ACQ ADJ	PLT362	(448,807)	(268,122)	(33,944)	(118,504)	(22,671)	(4,624)	(942)
17 364-POLES, TOWERS & FIX - ACQ ADJ	PLT364	(924,818)	(552,496)	(69,946)	(244,191)	(46,716)	(9,528)	(1,942)
18 365-OVERHEAD COND & DEV - ACQ ADJ	PLT365	(588,825)	(339,822)	(43,021)	(150,194)	(28,734)	(5,860)	(1,194)
19 366-UNDERGRND CONDUIT - ACQ ADJ	PLT366	(186,318)	(112,467)	(14,238)	(49,708)	(9,510)	0	(395)
20 367-UNDERGR COND & DEV - ACQ ADJ	PLT367	(287,696)	(173,662)	(21,986)	(76,755)	(14,684)	0	(610)
21 368-LINE TRANSFORMERS - ACQ ADJ	PLT368	(511,053)	(308,487)	(39,054)	(136,344)	(26,084)	0	(1,084)
22 369-SERVICES - ACQ ADJ	PLT369	(95,981)	(97,850)	(12,388)	(43,248)	(8,274)	(1,687)	(344)
23 370-METERS - ACQ ADJ	PLT370	(163,790)	(77,118)	(12,688)	(6,081)	(36)	(59)	0
24 373-ST LGHT & SIGNAL SYS - ACQ ADJ	PLT373	(52,644)	0	0	0	0	0	(52,644)
25 TOTAL DISTRIBUTION DEPREC EXPENSE		\$9,059,006	\$5,407,135	\$690,022	\$2,337,364	\$445,049	\$57,962	\$121,475

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
OPERATION & MAINTENANCE EXPENSE CONTINUED								
1 GENERAL DEPREC EXPENSE	GENLPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 389-LAND & LAND RIGHTS	GENLPIS	52,805	\$32,178	\$4,218	\$12,459	\$2,770	\$325	\$855
3 390-STRUCT & IMPROVE	GENLPIS	311,735	\$189,965	\$24,901	\$73,550	\$16,352	\$1,917	\$5,050
4 391-OFFICE FURN & EQUIP	GENLPIS	(41,310)	(\$25,173)	(\$3,300)	(\$9,747)	(\$2,167)	(\$254)	(\$669)
5 392-TRANSP EQUIP	GENLPIS	3,247	\$1,979	\$259	\$766	\$170	\$20	\$53
6 393-STORES EQUIPMENT	GENLPIS	72,603	\$44,243	\$5,799	\$17,130	\$3,808	\$446	\$1,176
7 394-TOOLS, SHOP, & GAR EQ	GENLPIS	37,963	\$23,134	\$3,032	\$8,957	\$1,991	\$233	\$615
8 395-LABORATORY EQUIP	GENLPIS	42,108	\$25,660	\$3,364	\$9,935	\$2,209	\$259	\$682
9 396-POWER OPER EQUIP	GENLPIS	85,563	\$52,140	\$6,835	\$20,188	\$4,488	\$526	\$1,386
10 397-COMMUNICATION EQUIP	GENLPIS	6,680	\$4,070	\$534	\$1,576	\$350	\$41	\$108
11 398-MISCELLANEOUS EQUIP	GENLPIS	0	\$0	\$0	\$0	\$0	\$0	\$0
12 389-LAND & LAND RIGHTS - ACQ ADJ	GENLPIS	(17,677)	(\$10,772)	(\$1,412)	(\$4,171)	(\$927)	(\$109)	(\$286)
13 390-STRUCT & IMPROVE - ACQ ADJ	GENLPIS	(125,196)	(\$76,292)	(\$10,001)	(\$29,538)	(\$6,567)	(\$770)	(\$2,028)
14 391-OFFICE FURN & EQUIP - ACQ ADJ	GENLPIS	0	\$0	\$0	\$0	\$0	\$0	\$0
15 392-TRANSP EQUIP - ACQ ADJ	GENLPIS	(1,025)	(\$625)	(\$82)	(\$242)	(\$54)	(\$6)	(\$17)
16 393-STORES EQUIPMENT - ACQ ADJ	GENLPIS	(25,038)	(\$15,258)	(\$2,000)	(\$5,907)	(\$1,313)	(\$154)	(\$406)
17 394-TOOLS, SHOP, & GAR EQ - ACQ ADJ	GENLPIS	(8,416)	(\$5,129)	(\$672)	(\$1,986)	(\$441)	(\$52)	(\$136)
18 395-LABORATORY EQUIP - ACQ ADJ	GENLPIS	(5,536)	(\$3,373)	(\$442)	(\$1,306)	(\$290)	(\$34)	(\$90)
19 396-POWER OPER EQUIP - ACQ ADJ	GENLPIS	(17,690)	(\$10,780)	(\$1,413)	(\$4,174)	(\$928)	(\$109)	(\$287)
20 397-COMMUNICATION EQUIP - ACQ ADJ	GENLPIS	(1,160)	(\$707)	(\$93)	(\$274)	(\$61)	(\$7)	(\$19)
21 398-MISCELLANEOUS EQUIP - ACQ ADJ	GENLPIS	\$369,656	\$225,261	\$29,528	\$87,216	\$19,390	\$2,273	\$5,988
22 TOTAL GENERAL DEPREC EXPENSE								
23								
24 TOTAL DEPREC & AMORT EXPENSE		\$13,326,576	\$7,799,480	\$965,547	\$3,532,302	\$796,580	\$92,170	\$140,497
25								
26								

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
27 TAXES OTHER THAN INCOME TAXES								
28								
29 TAXES OTHER THAN INCOME TAXES								
30 PRODUCTION PROPERTY TAX	PRODPIS	\$589,729	\$311,873	\$34,388	\$165,290	\$52,765	\$4,871	\$542
31 TRANSMISSION PROPERTY TAX	TRANPIS	408,107	\$223,400	\$24,633	\$118,400	\$37,796	\$3,489	\$388
32 DISTRIBUTION PROPERTY TAX	DISTPIS	2,284,584	\$1,367,540	\$175,509	\$581,644	\$110,357	\$14,657	\$34,876
33 GENERAL PROPERTY TAX	TOTPIS	291,025	\$169,500	\$20,837	\$77,176	\$18,353	\$2,066	\$3,093
34 PAYROLL TAX	LABXAG	348,088	\$215,960	\$28,992	\$78,139	\$16,529	\$2,002	\$6,467
35 MEDICAL AND DENTAL	LABXAG	2,773	\$1,721	\$231	\$623	\$132	\$16	\$52
36 REGULATORY & OTHER	LABXAG	301	\$187	\$25	\$67	\$14	\$2	\$6
37 TOTAL TAXES OTHER THAN INCOME		\$3,904,607	\$2,290,181	\$284,615	\$1,021,338	\$235,946	\$27,102	\$45,424
38								
39								
40 TOTAL EXPENSES BEFORE INCOME TAX		\$139,878,616	\$79,099,847	\$9,241,966	\$38,290,097	\$11,463,661	\$1,098,595	\$684,450
41								
42 OPERATING INCOME BEFORE INCOME TAX		\$18,608,275	\$2,444,733	\$1,177,944	\$11,024,405	\$3,703,789	\$341,410	(\$84,007)
43								
44								
45								

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
DEVELOPMENT OF INCOME TAXES								
1 TOTAL OPERATING REVENUES		158,486,890	81,544,580	10,419,910	49,314,502	15,167,450	1,440,005	600,443
2								
3 LESS:								
4 OPERATION & MAINT EXPENSE		122,647,433	69,010,186	7,991,804	33,736,456	10,431,134	979,322	498,530
5 DEPREC & AMORT EXPENSE		0	0	0	0	0	0	0
6 TAXES OTHER THAN INCOME		3,904,607	2,290,181	284,615	1,021,338	235,946	27,102	45,424
7								
8 OPERATING INCOME BEFORE TAXES		31,934,850	10,244,212	2,143,491	14,556,707	4,500,369	433,580	56,490
9								
10 LESS:								
11 INTEREST		0	0	0	0	0	0	0
12								
13 STATE TAXABLE INCOME		31,934,850	10,244,212	2,143,491	14,556,707	4,500,369	433,580	56,490
14 TOTAL STATE INCOME TAX		0	0	0	0	0	0	0
15								
16								
17 FEDERAL TAXABLE INCOME		31,934,850	10,244,212	2,143,491	14,556,707	4,500,369	433,580	56,490
18								
19 STATE AND FEDERAL INCOME TAX		0	0	0	0	0	0	0
20 INC TAX		4,012,056	2,336,724	287,260	1,063,943	253,008	28,485	42,636
21 DEF INC TAX		0	0	0	0	0	0	0
22								
23								
24								
25 TOTAL INCOME TAXES		4,012,056	2,336,724	287,260	1,063,943	253,008	28,485	42,636
26								
27								
28 TOTAL OPERATING EXPENSES		\$143,890,672	\$81,436,571	\$9,529,226	\$39,354,040	\$11,716,669	\$1,127,080	\$727,086
29								
30 TOTAL NET INCOME		\$14,596,219	\$108,009	\$890,685	\$9,950,462	\$3,450,781	\$312,925	(\$126,643)

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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
ELECTRIC PLANT IN SERVICE							
1 INTANGIBLE PLANT							
2 302-FRANCHISES & CONSENTS PISXGENL	\$12,245	\$10,129	\$0	\$2,116	\$0	\$2,915	\$0
3 303-MISCELLANEOUS INTANG PLT PISXGENL	10,820,492	8,950,680	0	1,869,813	0	2,576,042	0
4 302-FRANCH & CONSENTS - ACQ ADJ PISXGENL	(5,993)	(4,875)	0	(1,018)	0	(1,403)	0
5 303-MISC INTANGIBLE PLT - ACQ ADJ PISXGENL	(2,210,062)	(1,828,157)	0	(381,905)	0	(526,151)	0
6 TOTAL INTANGIBLE PLANT	\$8,616,782	\$7,127,777	\$0	\$1,489,005	\$0	\$2,051,403	\$0
7							
8							
9 TOTAL OTHER PRODUCTION PLANT							
10 340-LAND & LAND RIGHTS DTRAN	\$787,552	\$787,552	\$0	\$0	\$0	\$787,552	\$0
11 341-STRUCTURES & IMPROVE DTRAN	2,830,753	2,830,753	0	0	0	2,830,753	0
12 342-FUEL HOLDERS, PROD, & ACC DTRAN	4,159,313	4,159,313	0	0	0	4,159,313	0
13 343-PRIME MOVERS DTRAN	55,251,317	55,251,317	0	0	0	55,251,317	0
14 344-GENERATORS DTRAN	7,987,677	7,987,677	0	0	0	7,987,677	0
15 345-ACCESSORY ELECT EQUIP DTRAN	10,382,928	10,382,928	0	0	0	10,382,928	0
16 346-MISC POWER PLANT EQUIP DTRAN	2,727,444	2,727,444	0	0	0	2,727,444	0
17 340-LAND & LAND RIGHTS - ACQ ADJ DTRAN	(379,032)	(379,032)	0	0	0	(379,032)	0
18 341-STRUCT & IMPROVE - ACQ ADJ DTRAN	(134,634)	(134,634)	0	0	0	(134,634)	0
19 342-FUEL HLD, PROD, & ACC - ACQ ADJ DTRAN	(270,624)	(270,624)	0	0	0	(270,624)	0
20 343-PRIME MOVERS - ACQ ADJ DTRAN	(3,232,571)	(3,232,571)	0	0	0	(3,232,571)	0
21 344-GENERATORS - ACQ ADJ DTRAN	(1,034,963)	(1,034,963)	0	0	0	(1,034,963)	0
22 345-ACCESS ELECT EQUIP - ACQ ADJ DTRAN	(654,817)	(654,817)	0	0	0	(654,817)	0
23 346-MISC POWER PLT EQUIP - ACQ ADJ DTRAN	(219,826)	(219,826)	0	0	0	(219,826)	0
24 TOTAL OTHER PRODUCTION PLANT	78,200,517	78,200,517	0	0	0	78,200,517	0
25 TOTAL PRODUCTION PLANT	\$78,200,517	\$78,200,517	\$0	\$0	\$0	\$78,200,517	\$0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
ELECTRIC PLANT IN SERVICE CONTINUED							
1 TRANSMISSION PLANT							
2 350-LAND	\$994,163	\$994,163	\$0	\$0	\$0	\$0	\$0
3 352-STRUCTURES & IMPROVE	215,216	215,216	0	0	0	0	0
4 353-STATION EQUIPMENT	19,551,691	19,551,691	0	0	0	0	0
5 354-TOWERS & FIXTURES	590,018	590,018	0	0	0	0	0
6 355-POLES & FIXTURES	14,457,277	14,457,277	0	0	0	0	0
7 356-OVHD COND. & DEVICES	12,335,285	12,335,285	0	0	0	0	0
8 359-ROADS & TRAILS	198,333	198,333	0	0	0	0	0
9 350-LAND - ACQ ADJ	(632,479)	(632,479)	0	0	0	0	0
10 352-STRUCT & IMPROVE - ACQ ADJ	(30,197)	(30,197)	0	0	0	0	0
11 353-STATION EQUIPMENT - ACQ ADJ	(5,308,466)	(5,308,466)	0	0	0	0	0
12 354-TOWERS & FIXTURES - ACQ ADJ	(212,105)	(212,105)	0	0	0	0	0
13 355-POLES & FIXTURES - ACQ ADJ	(2,864,510)	(2,864,510)	0	0	0	0	0
14 356-OVHD COND. & DEVICES - ACQ ADJ	(3,338,898)	(3,338,898)	0	0	0	0	0
15 359-ROADS & TRAILS - ACQ ADJ	(59,113)	(59,113)	0	0	0	0	0
16 TOTAL TRANSMISSION PLANT	\$35,896,215	\$35,896,215	\$0	\$0	\$0	\$0	\$0
17 DISTRIBUTION PLANT							
18 360-LAND & LAND RIGHTS	\$1,152,923	\$1,152,923	\$0	\$0	\$0	\$0	\$0
19 361-STRUCTURES & IMPROV	4,194,965	4,194,965	0	0	0	0	0
20 362-STATION EQUIPMENT	33,881,059	33,881,059	0	0	0	0	0
21 364-POLES, TOWERS & FIXTURES	78,443,902	78,443,902	0	0	0	0	0
22 365-OVERHEAD CONDUCT & DEV	51,128,334	51,128,334	0	0	0	0	0
23 366-UNDERGROUND CONDUIT	12,957,730	12,957,730	0	0	0	0	0
24 367-UNDERGROUND CONDUCTORS	28,030,559	28,030,559	0	0	0	0	0
25 368-LINE TRANSFORMERS	48,843,348	48,843,348	0	48,843,348	0	0	0
26 369-SERVICES	10,998,300	10,998,300	0	10,998,300	0	0	0
27 370-METERS	10,074,033	10,074,033	0	10,074,033	0	0	0
28 371-INSTALLATIONS CUST PREM	0	0	0	0	0	0	0
29 373-STREET LTG & SIGNAL SYS	3,918,940	3,918,940	0	3,918,940	0	0	0
30 360-LAND & LAND RIGHTS - ACQ ADJ	(577,357)	(577,357)	0	0	0	0	0
31 361-STRUCTURES & IMPROVE - ACQ ADJ	(1,402,517)	(1,402,517)	0	0	0	0	0
32 362-STATION EQUIPMENT - ACQ ADJ	(8,664,034)	(8,664,034)	0	0	0	0	0
33 364-POLES, TOWERS & FIXT - ACQ ADJ	(20,343,396)	(20,343,396)	0	0	0	0	0
34 365-OVERHEAD COND & DEV - ACQ ADJ	(12,139,483)	(12,139,483)	0	0	0	0	0
35 366-UNDERGRND CONDUIT - ACQ ADJ	(4,050,613)	(4,050,613)	0	0	0	0	0
36 367-UNDERGRND CONDUCT - ACQ ADJ	(4,994,323)	(4,994,323)	0	0	0	0	0
37 368-LINE TRANSFORMERS - ACQ ADJ	(9,645,535)	(9,645,535)	0	(9,645,535)	0	0	0
38 369-SERVICES - ACQ ADJ	(3,602,930)	(3,602,930)	0	(3,602,930)	0	0	0
39 370-METERS - ACQ ADJ	(2,747,966)	(2,747,966)	0	(2,747,966)	0	0	0
40 373-ST LTG & SIGNAL SYS - ACQ ADJ	(1,076,564)	(1,076,564)	0	(1,076,564)	0	0	0
41 TOTAL DISTRIBUTION PLANT	\$214,379,375	\$157,617,750	\$0	\$56,761,626	\$0	\$0	\$0
42 TOTAL PROD, TRANS, & DIST PLT	\$328,476,108	\$271,714,482	\$0	\$56,761,626	\$0	\$78,200,517	\$0

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

## ELECTRIC PLANT IN SERVICE CONTINUED

[illegible]

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
ELECTRIC PLANT IN SERVICE CONTINUED							
1 GENERAL PLANT							
2 389-LAND & LAND RIGHTS	\$59,210	\$42,636	\$0	\$16,574	\$250	\$6,824	\$0
3 390-STRUCTURES & IMPROVEMENTS	1,904,939	1,371,897	0	533,242	8,048	219,540	0
4 391-OFFICE FURNITURE & EQUIP	3,311,643	2,384,628	0	927,015	13,991	381,659	0
5 392-TRANSPORTATION EQUIP	10,633,086	7,656,608	0	2,976,479	44,921	1,225,438	0
6 393-STORES EQUIPMENT	126,349	90,981	0	35,368	534	14,561	0
7 394-TOOLS, SHOP, & GARAGE EQUIP	2,511,915	1,808,765	0	703,151	10,612	289,492	0
8 395-LABORATORY EQUIPMENT	1,345,052	968,537	0	376,515	5,682	155,014	0
9 396-POWER OPERATED EQUIP	1,243,554	895,451	0	348,103	5,254	143,317	0
10 397-COMMUNICATION EQUIPMENT	2,326,842	1,675,488	0	651,344	9,830	268,163	0
11 398-MISCELLANEOUS EQUIPMENT	125,259	90,196	0	35,063	529	14,436	0
12 399-OTHER TANGIBLE PROPERTY	(28,497)	(20,520)	(0)	(7,977)	(120)	(3,284)	(0)
13 389-LAND & LAND RIGHTS - ACQ ADJ	(569,133)	(409,818)	(0)	(159,315)	(2,404)	(65,591)	(0)
14 390-STRUCTURES & IMPROV - ACQ AT LABOR	(1,018,217)	(733,191)	(0)	(285,026)	(4,302)	(117,347)	(0)
15 391-OFFICE FURNITURE & EQ - ACQ A LABOR	(118,753)	(85,511)	(0)	(33,242)	(502)	(13,686)	(0)
16 392-TRANSPORTATION EQUIP - ACQ A LABOR	(36,402)	(26,212)	(0)	(10,190)	(154)	(4,195)	(0)
17 393-STORES EQUIPMENT - ACQ ADJ	(771,439)	(555,493)	(0)	(215,946)	(3,259)	(88,906)	(0)
18 394-TOOLS, SHOP, & GAR EQ - ACQ AT LABOR	(324,944)	(233,983)	(0)	(90,960)	(1,373)	(37,449)	(0)
19 395-LABORATORY EQUIP - ACQ ADJ	(154,694)	(111,391)	(0)	(43,303)	(654)	(17,828)	(0)
20 396-POWER OPER EQUIP - ACQ ADJ	(398,551)	(286,986)	(0)	(111,565)	(1,684)	(45,932)	(0)
21 397-COMMUNICATION EQUIP - ACQ AT LABOR	(19,803)	(14,260)	(0)	(5,543)	(84)	(2,282)	(0)
22 398-MISCELLANEOUS EQUIP - ACQ AD LABOR	0	0	0	0	0	0	0
23 TOTAL GENERAL PLANT	\$20,147,420	\$14,507,631	\$0	\$5,639,789	\$85,116	\$2,321,942	\$0
24							
25							
26 COMMON PLANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27							
28							
29 TOTAL PLANT IN SERVICE	\$357,240,310	\$293,349,890	\$0	\$63,890,420	\$85,116	\$82,573,862	\$0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
1 LESS: RESERVE FOR DEPRECIATION							
2							
3 INTANGIBLE PLANT RESERVE							
4 302-FRANCH & CONSENTS							
5 303-MISC. INTANG PLT	PISXGENL	\$0	\$0	\$0	\$0	\$0	\$0
6 302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL	2,038,160	1,685,960	352,200	0	485,226	0
7 303-MISC. INTANG PLT - ACQ ADJ	PISXGENL	0	0	0	0	0	0
8 TOTAL INTANGIBLE PLANT RESERVE	PISXGENL	(147,067)	(121,654)	(25,414)	0	(35,012)	0
9		\$1,891,093	\$1,564,307	\$326,786	\$0	\$450,214	\$0
10 PRODUCTION PLANT RESERVE							
11 340-LAND & LAND RIGHTS	PRODPIS	\$0	\$0	\$0	\$0	\$0	\$0
12 341-STRUCT & IMPROVE	PRODPIS	371,898	371,898	0	0	371,898	0
13 342-FUEL HLD, PROD, & ACC	PRODPIS	128,692	128,692	0	0	128,692	0
14 343-PRIME MOVERS	PRODPIS	2,739,562	2,739,562	0	0	2,739,562	0
15 344-GENERATORS	PRODPIS	262,590	262,590	0	0	262,590	0
16 345-ACCESSORY ELECT EQ	PRODPIS	469,208	469,208	0	0	469,208	0
17 346-MISC POWER PLT EQUIP	PRODPIS	76,492	76,492	0	0	76,492	0
18 340-LAND & LAND RIGHTS - ACQ ADJ	PRODPIS	0	0	0	0	0	0
19 341-STRUCT & IMPROVE - ACQ ADJ	PRODPIS	(5,371)	(5,371)	0	0	(5,371)	0
20 342-FUEL HLD, PROD, & ACC - ACQ ADJ	PRODPIS	(18,935)	(18,935)	0	0	(18,935)	0
21 343-PRIME MOVERS - ACQ ADJ	PRODPIS	(218,697)	(218,697)	0	0	(218,697)	0
22 344-GENERATORS - ACQ ADJ	PRODPIS	(20,049)	(20,049)	0	0	(20,049)	0
23 345-ACCESSORY ELECT EQ - ACQ ADJ	PRODPIS	(41,651)	(41,651)	0	0	(41,651)	0
24 346-MISC POWER PLT EQUIP - ACQ ADJ	PRODPIS	(11,885)	(11,885)	0	0	(11,885)	0
25 TOTAL PRODUCTION PLANT RESERVE		\$3,731,854	\$3,731,854	\$0	\$0	\$3,731,854	\$0
26							
27 TRANSMISSION PLANT RESERVE							
28 350-LAND	TRANPIS	\$0	\$0	\$0	\$0	\$0	\$0
29 352-STRUCTURES & IMPROV.	TRANPIS	151,531	151,531	0	0	151,531	0
30 353-STATION EQUIPMENT	TRANPIS	6,791,129	6,791,129	0	0	6,791,129	0
31 354-TOWERS & FIXTURES	TRANPIS	154,796	154,796	0	0	154,796	0
32 355-POLES & FIXTURES	TRANPIS	6,767,764	6,767,764	0	0	6,767,764	0
33 356-OVHD COND. & DEVICES	TRANPIS	4,427,647	4,427,647	0	0	4,427,647	0
34 359-ROADS & TRAILS	TRANPIS	75,097	75,097	0	0	75,097	0
35 350-LAND - ACQ ADJ	TRANPIS	0	0	0	0	0	0
36 352-STRUCTURES & IMPROV - ACQ ADJ	TRANPIS	(3,292)	(3,292)	0	0	(3,292)	0
37 353-STATION EQUIPMENT - ACQ ADJ	TRANPIS	(448,158)	(448,158)	0	0	(448,158)	0
38 354-TOWERS & FIXTURES - ACQ ADJ	TRANPIS	(26,460)	(26,460)	0	0	(26,460)	0
39 355-POLES & FIXTURES - ACQ ADJ	TRANPIS	(477,865)	(477,865)	0	0	(477,865)	0
40 356-OVHD COND. & DEVICES - ACQ ADJ	TRANPIS	(261,609)	(261,609)	0	0	(261,609)	0
41 359-ROADS & TRAILS - ACQ ADJ	TRANPIS	(3,435)	(3,435)	0	0	(3,435)	0
42 TOTAL TRANSMISSION PLANT RESERVE		\$17,147,144	\$17,147,144	\$0	\$0	\$17,147,144	\$0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

[illegible]

## ELECTRIC PLANT IN SERVICE CONTINUED

1 LESS: RESERVE FOR DEPRECIATION

### 3 INTANGIBLE PLANT RESERVE

4	302-FRANCH & CONSENTS	PISXGENL
5	303-MISC. INTANG PLT	PISXGENL
6	302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL
7	303-MISC. INTANG PLT - ACQ ADJ	PISXGENL
8	TOTAL INTANGIBLE PLANT RESERVE	

10 PRODUCTION PLANT RESERVE

11	340-LAND & LAND RIGHTS	PRODPIS
12	341-STRUCT & IMPROVE	PRODPIS
13	342-FUEL HLD, PROD, & ACC	PRODPIS
14	343-PRIME MOVERS	PRODPIS
15	344-GENERATORS	PRODPIS
16	345-ACCESSORY ELECT EQ	PRODPIS
17	346-MISC POWER PLT EQUIP	PRODPIS
18	340-LAND & LAND RIGHTS - ACQ ADJ	PRODPIS
19	341-STRUCT & IMPROVE - ACQ ADJ	PRODPIS
20	342-FUEL HLD, PROD, & ACC - ACQ ADJ	PRODPIS
21	343-PRIME MOVERS - ACQ ADJ	PRODPIS
22	344-GENERATORS - ACQ ADJ	PRODPIS
23	345-ACCESSORY ELECT EQ - ACQ ADJ	PRODPIS
24	346-MISC POWER PLT EQUIP - ACQ ADJ	PRODPIS
25	TOTAL PRODUCTION PLANT RESERVE	

27 TRANSMISSION PLANT RESERVE

28	350-LAND	TRANPIS
29	352-STRUCTURES & IMPROV.	TRANPIS
30	353-STATION EQUIPMENT	TRANPIS
31	354-TOWERS & FIXTURES	TRANPIS
32	355-POLES & FIXTURES	TRANPIS
33	356-OVHD COND. & DEVICES	TRANPIS
34	359-ROADS & TRAILS	TRANPIS
35	350-LAND - ACQ ADJ	TRANPIS
36	352-STRUCTURES & IMPROV. - ACQ ADJ	TRANPIS
37	353-STATION EQUIPMENT - ACQ ADJ	TRANPIS
38	354-TOWERS & FIXTURES - ACQ ADJ	TRANPIS
39	355-POLES & FIXTURES - ACQ ADJ	TRANPIS
40	356-OVHD COND. & DEVICES - ACQ ADJ	TRANPIS
41	359-ROADS & TRAILS - ACQ ADJ	TRANPIS
42	TOTAL TRANSMISSION PLANT RESERVE	

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
ELECTRIC PLANT IN SERVICE CONTINUED							
1 DISTRIBUTION PLANT RESERVE							
2 360-LAND & LAND RIGHTS	PLT360	\$0	\$0	\$0	\$0	\$0	\$0
3 361-STRUCTURES & IMPROV	PLT361	895,353	0	0	0	0	0
4 362-STATION EQUIPMENT	PLT362	15,045,881	0	0	0	0	0
5 364-POLES, TOWERS & FIXTURES	PLT364	37,552,394	0	0	0	0	0
6 365-OVHD CONDUCTORS & DEVICES	PLT365	24,014,389	0	0	0	0	0
7 366-UDGR CONDUCTORS & DEVICES	PLT366	4,341,674	0	0	0	0	0
8 367-UDGR CONDUIT	PLT367	10,426,136	0	0	0	0	0
9 368-LINE TRANSFORMER	PLT368	22,726,824	0	22,726,824	0	0	0
10 369-SERVICE DROP	PLT369	4,632,503	0	4,632,503	0	0	0
11 370-METERS	PLT370	3,003,413	0	3,003,413	0	0	0
12 371-INSTAL. ON CUST. PREMISE	PLT371	0	0	0	0	0	0
13 373-STREET LIGHTS	PLT373	1,335,357	0	1,335,357	0	0	0
14 360-LAND & LAND RIGHTS - ACQ ADJ	PLT360	0	0	0	0	0	0
15 361-STRUCTURES & IMPROV - ACQ ADJ	PLT361	(129,759)	0	0	0	0	0
16 362-STATION EQUIPMENT - ACQ ADJ	PLT362	(1,207,387)	0	0	0	0	0
17 364-POLES, TOWERS & FIX - ACQ ADJ	PLT364	(2,487,957)	0	0	0	0	0
18 365-OVHD COND & DEVICES - ACQ ADJ	PLT365	(1,530,262)	0	0	0	0	0
19 366-UDGR COND & DEVICES - ACQ ADJ	PLT366	(501,238)	0	0	0	0	0
20 367-UDGR CONDUIT - ACQ ADJ	PLT367	(773,963)	0	0	0	0	0
21 368-LINE TRANSFORMER - ACQ ADJ	PLT368	(1,374,841)	0	(1,374,841)	0	0	0
22 369-SERVICE DROP - ACQ ADJ	PLT369	(440,632)	0	(440,632)	0	0	0
23 370-METERS - ACQ ADJ	PLT370	(258,211)	0	(258,211)	0	0	0
24 373-STREET LIGHTS - ACQ ADJ	PLT373	(141,622)	0	(141,622)	0	0	0
25 TOTAL DISTRIBUTION PLANT RESV		\$85,645,263	\$0	\$29,482,792	\$0	\$0	\$0
26		\$115,128,055					
GENERAL PLANT RESERVE							
27 389-LAND & LAND RIGHTS	GENLPIS	\$0	\$0	\$0	\$0	\$0	\$0
28 390-STRUCT & IMPROVE	GENLPIS	816,006	0	228,421	3,447	94,043	0
29 391-OFFICE FURN & EQUIP	GENLPIS	969,618	0	271,422	4,096	111,746	0
30 392-TRANSP EQUIP	GENLPIS	6,774,506	0	1,896,361	28,620	780,746	0
31 393-STORES EQUIPMENT	GENLPIS	58,620	0	16,409	248	6,756	0
32 394-TOOLS, SHOP, & GAR EQ	GENLPIS	987,583	0	276,450	4,172	113,817	0
33 395-LABORATORY EQUIP	GENLPIS	225,971	0	63,255	955	26,043	0
34 396-POWER OPER EQUIP	GENLPIS	761,861	0	213,265	3,219	87,803	0
35 397-COMMUNICATION EQUIP	GENLPIS	408,978	0	114,484	1,728	47,134	0
36 398-MISCELLANEOUS EQUIP	GENLPIS	93,059	0	26,050	393	10,725	0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ELECTRIC PLANT IN SERVICE CONTINUED									
	CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
1 DISTRIBUTION PLANT RESERVE									
2 360-LAND & LAND RIGHTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 361-STRUCTURES & IMPROV	0	895,353	0	0	0	0	0	0	0
4 362-STATION EQUIPMENT	0	15,045,881	0	0	0	0	0	0	0
5 364-POLES, TOWERS & FIXTURES	0	37,552,394	0	0	0	0	0	0	0
6 365-OVHD CONDUCTORS & DEVICES	0	24,014,389	0	0	0	0	0	0	0
7 366-UDGR CONDUCTORS & DEVICES	0	0	4,341,674	0	0	0	0	0	0
8 367-UDGR CONDUIT	0	0	10,426,136	0	0	0	0	0	0
9 368-LINE TRANSFORMER	0	0	0	22,726,824	0	0	0	0	0
10 369-SERVICE DROP	0	0	0	4,632,503	0	0	0	0	0
11 370-METERS	0	0	0	0	3,003,413	0	0	0	0
12 371-INSTAL. ON CUST. PREMISE	0	0	0	0	0	0	0	0	0
13 373-STREET LIGHTS	0	0	0	0	0	0	0	0	0
14 360-LAND & LAND RIGHTS - ACQ ADJ	0	0	0	0	0	0	0	0	0
15 361-STRUCTURES & IMPROV - ACQ ADJ	0	(129,759)	0	0	0	0	0	0	0
16 362-STATION EQUIPMENT - ACQ ADJ	0	(1,207,387)	0	0	0	0	0	0	0
17 364-POLES, TOWERS & FIX - ACQ ADJ	0	(2,487,957)	0	0	0	0	0	0	0
18 365-OVHD COND & DEVICES - ACQ ADJ	0	(1,530,262)	0	0	0	0	0	0	0
19 366-UDGR COND & DEVICES - ACQ ADJ	0	0	(501,238)	0	0	0	0	0	0
20 367-UDGR CONDUIT - ACQ ADJ	0	0	(773,963)	0	0	0	0	0	0
21 368-LINE TRANSFORMER - ACQ ADJ	0	0	0	(1,374,841)	0	0	0	0	0
22 369-SERVICE DROP - ACQ ADJ	0	0	0	(440,632)	0	0	0	0	0
23 370-METERS - ACQ ADJ	0	0	0	0	(258,211)	0	0	0	0
24 373-STREET LIGHTS - ACQ ADJ	0	0	0	0	0	0	0	0	0
25 TOTAL DISTRIBUTION PLANT RESV	\$0	\$72,152,653	\$13,492,610	\$25,543,854	\$2,745,202	\$0	\$0	\$0	(141,622)
26									\$1,193,735
27 GENERAL PLANT RESERVE									
28 GENPLIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 390-STRUCT & IMPROVE	60,078	334,561	95,455	95,514	48,027	6,486	60,103	8,082	10,210
30 391-OFFICE FURN & EQUIP	71,388	397,542	113,424	113,495	57,068	7,707	71,418	9,603	12,132
31 392-TRANSF EQUIP	498,773	2,777,539	792,467	792,962	398,719	53,845	498,980	67,093	84,762
32 393-STORES EQUIPMENT	4,316	24,034	6,857	6,862	3,450	466	4,318	581	733
33 394-TOOLS, SHOP, & GAR EQ	72,711	404,908	115,525	115,597	58,125	7,850	72,741	9,781	12,356
34 395-LABORATORY EQUIP	16,637	92,648	26,434	26,450	13,300	1,796	16,644	2,238	2,827
35 396-POWER OPER EQUIP	56,092	312,362	89,121	89,177	44,840	6,055	56,115	7,545	9,532
36 397-COMMUNICATION EQUIP	30,111	167,680	47,841	47,871	24,071	3,251	30,124	4,050	5,117
37 398-MISCELLANEOUS EQUIP	6,851	38,154	10,866	10,893	5,477	740	6,854	922	1,164



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
1 GENERAL PLANT RESERVE CONTINUED							
2 389-LAND & LAND RIGHTS - ACQ ADJ GENLPS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 390-STRUCT & IMPROVE - ACQ ADJ GENLPS	(47,555)	(34,243)	(0)	(13,312)	(201)	(5,481)	(0)
4 391-OFFICE FURN & EQUIP - ACQ ADJ GENLPS	(393,965)	(283,684)	(0)	(110,281)	(1,664)	(45,404)	(0)
5 392-TRANSP EQUIP - ACQ ADJ GENLPS	(93,842)	(67,573)	(0)	(26,269)	(396)	(10,815)	(0)
6 393-STORES EQUIPMENT - ACQ ADJ GENLPS	(2,758)	(1,986)	(0)	(772)	(12)	(318)	(0)
7 394-TOOLS, SHOP, & GAR EQ - ACQ AT GENLPS	(67,358)	(48,503)	(0)	(18,855)	(285)	(7,763)	(0)
8 395-LABORATORY EQUIP - ACQ ADJ GENLPS	(22,641)	(16,303)	(0)	(6,338)	(96)	(2,609)	(0)
9 396-POWER OPER EQUIP - ACQ ADJ GENLPS	(14,893)	(10,724)	(0)	(4,169)	(53)	(1,716)	(0)
10 397-COMMUNICATION EQUIP - ACQ AT GENLPS	(47,589)	(34,268)	(0)	(13,322)	(201)	(5,485)	(0)
11 398-MISCELLANEOUS EQUIP - ACQ AD GENLPS	(3,120)	(2,247)	(0)	(873)	(13)	(360)	(0)
12 TOTAL GENERAL PLANT RESERVE	\$10,402,481	\$7,490,555	\$0	\$2,911,926	\$43,947	\$1,198,861	\$0
13							
14 TOTAL RESERVE FOR DEPRECIATION	\$148,300,627	\$115,579,122	\$0	\$32,721,505	\$43,947	\$5,380,929	\$0
15							
16 NET PLANT IN SERVICE	\$208,939,683	\$177,770,768	(\$0)	\$31,168,915	\$41,169	\$77,192,933	(\$0)
17							
18							
19 ADDITIONS & DEDUCTIONS TO RATE BASE							
20							
21 DEFERRED TAXES AND TAX CREDITS							
22 PRODUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 TRANSMISSION	0	0	0	0	0	0	0
24 DISTRIBUTION	0	0	0	0	0	0	0
25 GENERAL	1,154,833	831,565	0	323,268	4,879	133,092	0
26 TOTAL DEF. TAXES AND TAX CREDITS	\$1,154,833	\$831,565	\$0	\$323,268	\$4,879	\$133,092	\$0
27							
28 WORKING CAPITAL							
29 CASH WORKING CAPITAL	(\$3,289,290)	(\$1,842,817)	(\$0)	(\$1,446,473)	(\$41,848)	(\$194,560)	(\$0)
30 MATERIALS & SUPPLIES	5,650,559	4,639,988	0	1,010,571	1,346	1,306,091	0
31 FUEL RELATED	0	0	0	0	0	0	0
32 PREPAYMENTS	351,825	197,109	0	154,716	4,476	20,810	0
33 TOTAL CASH WORKING CAPITAL	\$2,713,094	\$2,994,281	(\$0)	(\$281,187)	(\$36,026)	\$1,132,341	(\$0)
34 CIAC & AMORT	0	0	0	0	0	0	0
35 CUSTOMER ADVANCES	(8,692,444)	(6,390,929)	0	(2,301,514)	0	0	0
36 CUSTOMER DEPOSITS	(3,778,419)	(2,778,000)	0	(1,000,419)	0	0	0
37 TOTAL CASH WORKING CAPITAL	(\$9,757,769)	(\$6,174,649)	(\$0)	(\$3,583,120)	(\$36,026)	\$1,132,341	(\$0)
38							
39 TOTAL RATE BASE	\$200,336,747	\$172,427,684	(\$0)	\$27,909,062	\$10,022	\$78,458,367	(\$0)
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
1 GENERAL PLANT RESERVE CONTINUED									
2 389-LAND & LAND RIGHTS - ACQ ADJ									
3 390-STRUCT & IMPROVE - ACQ ADJ									
4 391-OFFICE FURN & EQUIP - ACQ ADJ									
5 392-TRANSP EQUIP - ACQ ADJ									
6 393-STORES EQUIPMENT - ACQ ADJ									
7 394-TOOLS, SHOP, & GAR EQ - ACQ ADJ									
8 395-LABORATORY EQUIP - ACQ ADJ									
9 396-POWER OPER EQUIP - ACQ ADJ									
10 397-COMMUNICATION EQUIP - ACQ ADJ									
11 398-MISCELLANEOUS EQUIP - ACQ ADJ									
12 TOTAL GENERAL PLANT RESERVE									
13									
14 TOTAL RESERVE FOR DEPRECIATION									
15									
16 NET PLANT IN SERVICE									
17									
18									
19 ADDITIONS & DEDUCTIONS TO RATE BASE									
20									
21 DEFERRED TAXES AND TAX CREDITS									
22 PRODUCTION									
23 TRANSMISSION									
24 DISTRIBUTION									
25 GENERAL									
26 TOTAL DEF. TAXES AND TAX CREDITS									
27									
28 WORKING CAPITAL									
29 CASH WORKING CAPITAL									
30 MATERIALS & SUPPLIES									
31 FUEL RELATED									
32 PREPAYMENTS									
33 TOTAL CASH WORKING CAPITAL									
34 CIAC & AMORT									
35 CUSTOMER ADVANCES									
36 CUSTOMER DEPOSITS									
37 TOTAL CASH WORKING CAPITAL									
38									
39 TOTAL RATE BASE									

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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
OPERATING REVENUES							
1 SALES REVENUES							
2 SALES OF ELECTRICITY	\$156,651,860	40,746,272	101,997,209	13,908,378	512,464	10,866,748	0
3 SALES FOR RESALE	246,016	202,017	0	43,999	59	56,865	0
4 TOTAL SALES REVENUE	156,897,876	40,948,290	101,997,209	13,952,377	512,523	10,923,613	0
5							
6 OTHER OPERATING REVENUES							
7 450-FORFEITED DISCOUNTS	0	0	0	0	0	0	0
8 451-MISCELLANEOUS SERVICE REV	1,099,279	285,930	715,749	97,600	3,596	76,256	0
9 454-RENT FROM ELECT PROPERTY	339,735	88,368	221,204	30,163	1,111	23,567	0
10 456-OTHER ELECTRIC REVENUES	150,000	39,016	97,666	13,318	491	10,405	0
11 TOTAL OTHER OPERATING REV	1,589,014	413,314	1,034,619	141,081	5,198	110,228	0
12							
13 TOTAL OPERATING REVENUES	\$158,486,890	\$41,361,604	\$103,031,829	\$14,093,458	\$517,721	\$11,033,841	\$0
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UNIS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

OPERATING REVENUES									
1 SALES REVENUES									
2	SALES OF ELECTRICITY								
3	SALES FOR RESALE	4,824,858	19,147,349	5,394,854	6,116,888	1,928,205	834,399	4,535,199	203,810
4	TOTAL SALES REVENUE	26,390	94,505	24,198	34,552	5,994	110	1,022	137
5		4,851,248	19,241,854	5,419,052	6,151,440	1,934,200	834,510	4,536,221	203,948
6 OTHER OPERATING REVENUES									
7	450-FORFEITED DISCOUNTS	0	0	0	0	0	0	0	0
8	451-MISCELLANEOUS SERVICE REV	33,858	134,363	37,858	42,924	13,531	5,855	31,825	1,430
9	454-RENT FROM ELECT PROPERTY	10,464	41,525	11,700	13,266	4,182	1,810	9,836	442
10	456-OTHER ELECTRIC REVENUES	4,620	18,334	5,166	5,857	1,846	799	4,343	195
11	TOTAL OTHER OPERATING REV	48,941	194,223	54,723	62,047	19,559	8,464	46,003	2,067
12									
13	TOTAL OPERATING REVENUES	\$4,900,189	\$19,436,077	\$5,473,775	\$6,213,488	\$1,953,759	\$842,973	\$4,582,224	\$206,015
									\$294,999

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
<b>OPERATION &amp; MAINTENANCE EXPENSE</b>							
1 POWER PRODUCTION EXPENSE							
2 OTHER POWER GENERATION							
3 OPERATION							
4 546-SUPERVISION & ENGINEERING	LAB54750						
5 547-FUEL	DPROD	\$2,264	\$0	\$0	\$0	\$2,264	\$0
6 548-GENERATION EXPENSES	PRODPIS	266,198	0	0	266,198	0	0
7 549-MISC OTH POWER GEN EXP	PRODPIS	26,287	0	0	0	26,287	0
8 550-RENTS	PRODPIS	52,481	0	0	0	52,481	0
9 550.1-OPER SUPPLIES & EXP	PRODPIS	0	0	0	0	0	0
10 TOTAL OPERATION EXPENSE		347,230	0	0	266,198	81,032	0
11 MAINTENANCE							
12 551-SUPERVISION & ENGINEER	LAB55254						
13 552-STRUCTURES	PRODPIS	54,625	0	0	0	54,625	0
14 553-GENERATING & ELECT PLT	PRODPIS	0	0	0	0	0	0
15 554-MISC OTH POWER GEN PLT	PRODPIS	255,461	0	0	0	255,461	0
16 BLANK	PRODPIS	80,460	0	0	0	80,460	0
17 TOTAL MAINTENANCE EXPENSE		390,547	0	0	0	0	0
18 TOT OTH POWER GENERATION EXP		\$737,776	\$0	\$0	\$266,198	\$390,547	\$0
19						\$471,578	
20 OTHER POWER SUPPLY EXPENSES							
21 555-PURCHASED POWER							
22 DEMAND CHARGES	EPROD	0	(8,833,600)	0	0	0	0
23 ENERGY CHARGES	DPROD	0	0	0	0	0	0
24 ENERGY CHARGES	EPROD	0	106,021,950	0	0	0	0
25 OTHER CHARGES	EPROD	0	0	0	0	0	0
26 TOTAL PURCHASED POWER		97,188,350	97,188,350	0	0	0	0
27 556-SYS CONTRL & LOAD DISP	DPROD	0	0	0	0	0	0
28 557-OTHER EXPENSES	DPROD	202,235	0	0	202,235	0	0
29 TOTAL OTHER POWER SUPPLY EXP		\$202,235	\$97,188,350	\$0	\$202,235	\$0	\$0
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40 TOTAL POWER PRODUCTION EXP		\$98,128,361	\$97,188,350	\$0	\$468,433	\$471,578	\$0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

		TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
OPERATION & MAINTENANCE EXPENSE								
1	TRANSMISSION EXPENSES							
2	OPERATION							
3	560-SUPERVISION & ENGINEER	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	561-LOAD DISPATCHING	66,776	66,776	0	0	0	0	0
5	562-STATION EXPENSES	9,394	9,394	0	0	0	0	0
6	563-OVERHEAD LINE EXPENSES	75,228	75,228	0	0	0	0	0
7	564-UNDERGROUND LINE EXP	3,324	3,324	0	0	0	0	0
8	565-TRANSM ELECT BY OTHERS	5,843,478	0	5,843,478	0	0	0	0
9	566-MISCELLANEOUS TRNSM EXP	19,495	19,495	0	0	0	0	0
10	567-RENTS	11,857	11,857	0	0	0	0	0
11	567.1-SUPPLIES & EXP	0	0	0	0	0	0	0
12	TOTAL OPERATION EXPENSE	6,029,552	186,073	5,843,478	0	0	0	0
13	MAINTENANCE							
14	568-SUPERVISION & ENGINEER	24	24	0	0	0	0	0
15	569-STRUCTURES	0	0	0	0	0	0	0
16	570-STATION EQUIPMENT	20,513	20,513	0	0	0	0	0
17	571-OVERHEAD LINES	7,354	7,354	0	0	0	0	0
18	572-MAINT OF UNDRGRND LINES	0	0	0	0	0	0	0
19	573-MAINT MISC TRANSM PLT	0	0	0	0	0	0	0
20	TOTAL MAINTENANCE EXPENSE	27,891	27,891	0	0	0	0	0
21	TOTAL TRANSMISSION EXPENSES	\$6,057,443	\$213,965	\$5,843,478	\$0	\$0	\$0	\$0

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

SCHEDULE G-6  
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CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66,776	0	0	0	0	0	0	0	0
9,394	0	0	0	0	0	0	0	0
75,228	0	0	0	0	0	0	0	0
3,324	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
19,495	0	0	0	0	0	0	0	0
11,857	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
186,073	0	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
20,513	0	0	0	0	0	0	0	0
7,354	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
27,891	0	0	0	0	0	0	0	0
\$213,965	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

OPERATION & MAINTENANCE EXPENSE

1	TRANSMISSION EXPENSES	LAB56167
2	OPERATION	TRANPIS
3	560-SUPERVISION & ENGINEER	TRANPIS
4	561-LOAD DISPATCHING	TRANPIS
5	562-STATION EXPENSES	TRANPIS
6	563-OVERHEAD LINE EXPENSES	TRANPIS
7	564-UNDERGROUND LINE EXP	TRANPIS
8	565-TRANSM ELECT BY OTHERS	TRANPIS
9	566-MISCELLANEOUS TRNSM EXP	TRANPIS
10	567-RENTS	TRANPIS
11	567 1-SUPPLIES & EXP	TRANPIS
12	TOTAL OPERATION EXPENSE	
13	MAINTENANCE	LAB56973
14	568-SUPERVISION & ENGINEER	TRANPIS
15	569-STRUCTURES	TRANPIS
16	570-STATION EQUIPMENT	TRANPIS
17	571-OVERHEAD LINES	TRANPIS
18	572-MAINT OF UNDRGRND LINES	TRANPIS
19	573-MAINT MISC TRANSM PLT	TRANPIS
20	TOTAL MAINTENANCE EXPENSE	
21	TOTAL TRANSMISSION EXPENSES	

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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
1 DISTRIBUTION EXPENSES							
2 OPERATION							
3 580-SUPERVISION & ENGINEER							
4 581-LOAD DISPATCHING							
5 582-STATION EXPENSES							
6 583-OVERHEAD LINE EXPENSES							
7 584-UNDERGROUND LINE EXP							
8 585-STREET LIGHT & SIGNAL							
9 586-METER EXPENSES							
10 587-CUST INSTALLATIONS EXP							
11 588-MISC DISTRIBUTION EXP							
12 589-RENTS							
13 TOTAL OPERATION EXPENSE							
14 MAINTENANCE							
15 590-SUPERVISION & ENGINEER							
16 591-STRUCTURES							
17 592-STATION EQUIPMENT							
18 593-OVERHEAD LINES							
19 594-UNDERGROUND LINES							
20 595-LINE TRANSFORMERS							
21 596-STREET LIGHT & SIGNAL							
22 597-METERS							
23 598-MISC DISTRIBUTION PLANT							
24 BLANK							
25 TOTAL MAINTENANCE EXPENSE							
26 TOTAL DISTRIBUTION EXPENSES							
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LAB58189	\$364,186	\$219,409	\$0	\$144,777	\$0	\$0	\$0
DISTPIS	437,055	321,335	0	115,720	0	0	0
PLTDSUB	72,715	72,715	0	0	0	0	0
PLTDHGL	811,053	811,053	0	0	0	0	0
PLTDUGL	511,510	511,510	0	0	0	0	0
PLT373	1,628	0	0	1,628	0	0	0
PLT370	743,347	0	0	743,347	0	0	0
DISTPIS	15,998	11,762	0	4,236	0	0	0
DISTPIS	351,137	258,166	0	92,971	0	0	0
DISTPIS	99,440	73,111	0	26,329	0	0	0
	3,408,070	2,279,061	0	1,129,009	0	0	0
LAB59198	54,430	50,122	0	4,308	0	0	0
PLT361	0	0	0	0	0	0	0
PLT362	472,734	472,734	0	0	0	0	0
DISTSUB	1,006,308	1,006,308	0	0	0	0	0
PLTDUGL	142,605	142,605	0	0	0	0	0
PLT368	103,968	0	0	103,968	0	0	0
PLT373	56,424	0	0	56,424	0	0	0
PLT370	123	0	0	123	0	0	0
DISTPIS	7,233	5,318	0	1,915	0	0	0
SALESREV	0	0	0	0	0	0	0
	1,843,825	1,677,087	0	166,738	0	0	0
	\$5,251,895	\$3,956,148	\$0	\$1,295,747	\$0	\$0	\$0

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

SCHEDULE G-6  
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CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
\$0	\$126,390	\$93,019	\$26,252	\$116,620	\$0	\$0	\$0	\$1,905
0	256,212	65,123	94,990	14,936	0	0	0	5,795
0	72,715	0	0	0	0	0	0	0
0	811,053	0	0	0	0	0	0	0
0	0	511,510	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	743,347	0	0	0	1,628
0	9,378	2,384	3,477	547	0	0	0	0
0	205,845	52,321	76,316	12,000	0	0	0	212
0	58,294	14,817	21,612	3,398	0	0	0	4,656
0	1,539,888	739,173	222,647	890,847	0	0	0	1,318
0	0	6,280	2,172	17	0	0	0	15,515
0	43,842	0	0	0	0	0	0	2,120
0	0	0	0	0	0	0	0	0
0	472,734	0	0	0	0	0	0	0
0	1,006,308	0	0	0	0	0	0	0
0	0	142,605	0	0	0	0	0	0
0	0	0	103,968	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	4,240	1,078	1,572	123	0	0	0	56,424
0	0	0	0	247	0	0	0	96
0	0	0	107,711	387	0	0	0	0
\$0	\$3,067,013	\$889,135	\$330,358	\$891,234	\$0	\$0	\$0	\$58,640
								\$74,154

OPERATION & MAINTENANCE EXPENSE CONTINUED

1 DISTRIBUTION EXPENSES	LAB58189
2 OPERATION	DISTPIS
3 580-SUPERVISION & ENGINEER	PLTDSUB
4 581-LOAD DISPATCHING	PLTDOHL
5 582-STATION EXPENSES	PLTDUGL
6 583-OVERHEAD LINE EXPENSES	PLT373
7 584-UNDERGROUND LINE EXP	PLT370
8 585-STREET LIGHT & SIGNAL	DISTPIS
9 586-METER EXPENSES	DISTPIS
10 587-CUST INSTALLATIONS EXP	DISTPIS
11 588-MISC DISTRIBUTION EXP	
12 589-RENTS	
13 TOTAL OPERATION EXPENSE	
14 MAINTENANCE	LAB59198
15 590-SUPERVISION & ENGINEER	PLT361
16 591-STRUCTURES	PLT362
17 592-STATION EQUIPMENT	DISTSUB
18 593-OVERHEAD LINES	PLTDUGL
19 594-UNDERGROUND LINES	PLT368
20 595-LINE TRANSFORMERS	PLT373
21 596-STREET LIGHT & SIGNAL	PLT370
22 597-METERS	DISTPIS
23 598-MISC DISTRIBUTION PLANT	SALESREV
24 BLANK	
25 TOTAL MAINTENANCE EXPENSE	
26 TOTAL DISTRIBUTION EXPENSES	

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OPERATION & MAINTENANCE EXPENSE CONTINUED

	CUSTOMER ACCOUNTS EXPENSES	\$172,327	\$0	\$0	\$172,327	\$0	\$0	\$0
LAB90205	901-SUPERVISION	730,556	0	0	730,556	0	0	0
CMETRDG	902-METER READING EXPENSE	3,617,005	0	0	3,617,005	8,599	39,977	0
CBILLCOL	903-CUST RECORDS & COLL EXP	579,538	357,827	0	221,711	29,171	0	0
EXP904	904-UNCOLLECTIBLE ACCOUNTS	29,171	0	0	\$4,770,771	\$8,599	\$39,977	\$0
CUST	905-MISC CUST ACCTS EXP	\$5,128,597	\$357,827	\$0				
TOTAL CUSTOMER ACCT'S EXPENSE								
CUSTOMER SERVICE & INFO EXP								
DISTPIS	431-CUSTOMER DEPOSIT INTEREST	\$217,492	\$159,906	\$0	\$57,586	\$0	\$0	\$0
CINFO	908-CUSTOMER ASSISTANCE EXP	34,001	0	0	34,001	0	0	0
CINFO	909-INFO & INSTRUCT EXP	62,059	0	0	62,059	0	0	0
CINFO	910-MISC CUST SERV & INFO EX	9,778	0	0	9,778	0	0	0
TOTAL CUST SERVICE & INFO EXP		\$323,330	\$159,906	\$0	\$163,424	\$0	\$0	\$0
SALES EXPENSES								
LAB91217	911-SUPERVISION	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUST	912-DEMONSTRATING & SELLING	0	0	0	0	0	0	0
SAFETY	913-ADVERTISING EXPENSE	0	0	0	0	0	0	0
DSM	CUST	0	0	0	0	0	0	0
CENVRON	DSM	0	0	0	0	0	0	0
CUST	ENVIRONMENTAL	0	0	0	0	0	0	0
OTHER	CUST	0	0	0	0	0	0	0
TOTAL ACCOUNT 913		0	0	0	0	0	0	0
MISCELLANEOUS SALES EXP		0	0	0	0	0	0	0
TOTAL SALES EXPENSES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OPER & MAINT EXCL A&G		\$114,889,627	\$5,627,857	\$103,031,829	\$6,229,941	\$477,031	\$511,556	\$0

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
\$0	\$0	\$0	\$0	\$0	\$16,504	\$152,938	\$0	\$2,885
0	0	0	0	0	730,556	0	0	0
0	0	0	0	0	0	3,617,005	0	0
28,601	218,340	62,310	43,862	35,770	21,875	113,518	4,880	2,005
0	0	0	0	0	0	0	0	29,171
\$28,601	\$218,340	\$62,310	\$43,862	\$35,770	\$768,935	\$3,883,462	\$4,880	\$34,061
\$0	\$127,499	\$32,407	\$47,270	\$7,432	\$0	\$0	\$0	\$2,884
0	0	0	0	0	0	0	34,001	0
0	0	0	0	0	0	0	62,059	0
0	0	0	0	0	0	0	9,778	0
\$0	\$127,499	\$32,407	\$47,270	\$7,432	\$0	\$0	\$105,838	\$2,884
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
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0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$242,566	\$3,412,852	\$983,852	\$421,290	\$934,437	\$768,935	\$3,863,462	\$110,719	\$111,099

## OPERATION &amp; MAINTENANCE EXPENSE CONTINUED

[illegible]

1 ADMINISTRATIVE & GENERAL EXP  
2 OPERATION

OPERATION & MAINTENANCE EXPENSE CONTINUED							
	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
1 ADMINSTRATIVE & GENERAL EXP							
2 OPERATION							
3 920-ADMIN & GEN SALARIES	\$770,768	\$521,650	\$0	\$249,119	\$4,363	\$33,289	\$0
4 LABXAG	535,854	362,662	0	173,193	3,033	23,143	0
5 921-OFFICE SUPPLIES & EXP							
6 LABXAG	(158,087)	(106,992)	(0)	(51,095)	(895)	(6,828)	(0)
7 922-ADMIN EXP TRANSF-CREDIT							
8 LABXAG	3,317,593	2,245,320	0	1,072,273	18,779	143,284	0
9 923-OUTSIDE SERVICES EMPLOY							
10 924-PROPERTY INSURANCE							
11 PRODPIS	0	0	0	0	0	0	0
12 TRANPIS	0	0	0	0	0	0	0
13 DISTRIBUTION RELATED	0	0	0	0	0	0	0
14 TOTPIS	65,598	53,866	0	11,732	16	15,163	0
15 925-INJURIES & DAMAGES	512,417	346,800	0	165,617	2,900	22,131	0
16 LABXAG	1,172,133	793,290	0	378,843	6,635	50,623	0
17 926-EMPLOYEE PENSNS & BENE							
18 TOTPIS	200,000	164,231	0	35,769	48	46,229	0
19 927-FRANCHISE REQUIREMENTS							
20 TOTPIS	0	0	0	0	0	0	0
21 928-REGULATORY COMMISSION EXP							
22 TOTPIS	0	0	0	0	0	0	0
23 929-DUPLICATE CHARGES-CR.							
24 TOTPIS	1,231,035	1,010,872	0	220,164	293	284,546	0
25 930-GENEAL ADVERTISING EX							
26 TOTPIS	74,558	61,223	0	13,334	18	17,234	0
27 931-RENTS							
28 TOTPIS	0	0	0	0	0	0	0
29 933-TRANSPORTATION EXPT							
30 TOTAL OPERATION EXPENSE	7,721,869	5,452,921	0	2,268,948	35,190	628,813	0
31 MAINTENANCE							
32 935-MAINT OF GENERAL PLANT	35,937	25,878	0	10,060	152	4,142	0
33 TOTAL ADMIN & GENERAL EXPENSE	7,757,807	5,478,799	0	2,279,008	35,342	632,955	0
34 25 PAYROLL EXPENSE ADJUSTMENT							
35 LABXAG	0	0	0	0	0	0	0
36 26 TOTAL OPERATION & MAINT EXP	\$122,647,433	11,106,655	103,031,829	8,508,949	512,373	1,144,510	0

1 ADMINISTRATIVE & GENERAL EXP  
2 OPERATION

[illegible]

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
1 DEPRECIATION EXPENSE							
2							
3 INTANGIBLE DEPREC EXP							
4 302-FRANCH & CONSENTS	PISXGENL	\$0	\$0	\$0	\$0	\$0	\$0
5 303-MISC. INTANG PLT	PISXGENL	718,281	594,160	124,121	0	171,002	0
6 302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL	0	0	0	0	0	0
7 303-MISC. INTANG PLT - ACQ ADJ	PISXGENL	279,729	231,391	48,338	0	66,595	0
8 TOTAL INTANGIBLE DEPREC EXPENSE	\$998,011	\$825,551	\$0	\$172,459	\$0	\$237,597	\$0
9							
10 PRODUCTION DEPREC EXP							
11 340-LAND & LAND RIGHTS	PRODPIS	\$0	\$0	\$0	\$0	\$0	\$0
12 341-STRUCT & IMPROVE	PRODPIS	49,381	49,381	0	0	49,381	0
13 342-FUEL HLD, PROD, & ACC	PRODPIS	88,288	88,288	0	0	88,288	0
14 343-PRIME MOVERS	PRODPIS	1,183,052	1,183,052	0	0	1,183,052	0
15 344-GENERATORS	PRODPIS	89,398	89,398	0	0	89,398	0
16 345-ACCESSORY ELECT EQ	PRODPIS	214,230	214,230	0	0	214,230	0
17 346-MISC POWER PLT EQUIP	PRODPIS	53,377	53,377	0	0	53,377	0
18 340-LAND & LAND RIGHTS - ACQ ADJ	PRODPIS	0	0	0	0	0	0
19 341-STRUCT & IMPROVE - ACQ ADJ	PRODPIS	(1,997)	(1,997)	0	0	(1,997)	0
20 342-FUEL HLD, PROD, & ACC - ACQ ADJ	PRODPIS	(7,039)	(7,039)	0	0	(7,039)	0
21 343-PRIME MOVERS - ACQ ADJ	PRODPIS	(81,293)	(81,293)	0	0	(81,293)	0
22 344-GENERATORS - ACQ ADJ	PRODPIS	(7,452)	(7,452)	0	0	(7,452)	0
23 345-ACCESSORY ELECT EQ - ACQ ADJ	PRODPIS	(15,483)	(15,483)	0	0	(15,483)	0
24 346-MISC POWER PLT EQUIP - ACQ ADJ	PRODPIS	(4,418)	(4,418)	0	0	(4,418)	0
25 TOTAL PRODUCTION DEPREC EXPENSE	\$1,560,045	\$1,560,045	\$0	\$0	\$0	\$1,560,045	\$0
26							
27 TRANSMISSION DEPREC EXP							
28 350-LAND	TRANPIS	\$0	\$0	\$0	\$0	\$0	\$0
29 352-STRUCTURES & IMPROV.	TRANPIS	7,906	7,906	0	0	0	0
30 353-STATION EQUIPMENT	TRANPIS	567,047	567,047	0	0	0	0
31 354-TOWERS & FIXTURES	TRANPIS	23,304	23,304	0	0	0	0
32 355-POLES & FIXTURES	TRANPIS	851,270	851,270	0	0	0	0
33 356-OVHD COND. & DEVICES	TRANPIS	340,089	340,089	0	0	0	0
34 359-ROADS & TRAILS	TRANPIS	4,044	4,044	0	0	0	0
35 350-LAND - ACQ ADJ	TRANPIS	0	0	0	0	0	0
36 352-STRUCTURES & IMPROV. - ACQ ADJ	TRANPIS	(1,224)	(1,224)	0	0	0	0
37 353-STATION EQUIPMENT - ACQ ADJ	TRANPIS	(166,589)	(166,589)	0	0	0	0
38 354-TOWERS & FIXTURES - ACQ ADJ	TRANPIS	(9,835)	(9,835)	0	0	0	0
39 355-POLES & FIXTURES - ACQ ADJ	TRANPIS	(177,631)	(177,631)	0	0	0	0
40 356-OVHD COND. & DEVICES - ACQ ADJ	TRANPIS	(97,244)	(97,244)	0	0	0	0
41 359-ROADS & TRAILS - ACQ ADJ	TRANPIS	(1,277)	(1,277)	0	0	0	0
42 TOTAL TRANSMISSION DEPREC EXPENSE	\$1,339,858	\$1,339,858	\$0	\$0	\$0	\$0	\$0
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

SCHEDULE G-6  
PAGE 14 OF 20

	CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
1 DEPRECIATION & AMORTIZATION EXPENSE									
2 DEPRECIATION EXPENSE									
3 INTANGIBLE DEPREC EXP									
4 302-FRANCH & CONSENTS									
5 303-MISC. INTANG PLT	PISXGENL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 302-FRANCH & CONSENTS - ACQ ADJ	PISXGENL	78,495	274,813	101,886	16,020	0	0	0	6,215
7 303-MISC. INTANG PLT - ACQ ADJ	PISXGENL	0	0	0	0	0	0	0	0
8 TOTAL INTANGIBLE DEPREC EXPENSE		\$381,837	\$97,054	\$141,564	\$22,259	\$0	\$0	\$0	\$8,636
9 PRODUCTION DEPREC EXP									
10 340-LAND & LAND RIGHTS	PRODPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 341-STRUCT & IMPROVE	PRODPIS	0	0	0	0	0	0	0	0
12 342-FUEL HLD, PROD, & ACC	PRODPIS	0	0	0	0	0	0	0	0
13 343-PRIME MOVERS	PRODPIS	0	0	0	0	0	0	0	0
14 344-GENERATORS	PRODPIS	0	0	0	0	0	0	0	0
15 345-ACCESSORY ELECT EQ	PRODPIS	0	0	0	0	0	0	0	0
16 346-MISC POWER PLT EQUIP	PRODPIS	0	0	0	0	0	0	0	0
17 340-LAND & LAND RIGHTS - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
18 341-STRUCT & IMPROVE - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
19 342-FUEL HLD, PROD, & ACC - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
20 343-PRIME MOVERS - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
21 344-GENERATORS - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
22 345-ACCESSORY ELECT EQ - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
23 346-MISC POWER PLT EQUIP - ACQ ADJ	PRODPIS	0	0	0	0	0	0	0	0
24 TOTAL PRODUCTION DEPREC EXPENSE		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25 TRANSMISSION DEPREC EXP									
26 350-LAND	TRANPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27 352-STRUCTURES & IMPROV.	TRANPIS	7,906	0	0	0	0	0	0	0
28 353-STATION EQUIPMENT	TRANPIS	567,047	0	0	0	0	0	0	0
29 354-TOWERS & FIXTURES	TRANPIS	23,304	0	0	0	0	0	0	0
30 355-POLES & FIXTURES	TRANPIS	851,270	0	0	0	0	0	0	0
31 356-OVHD COND. & DEVICES	TRANPIS	340,089	0	0	0	0	0	0	0
32 359-ROADS & TRAILS	TRANPIS	4,044	0	0	0	0	0	0	0
33 350-LAND - ACQ ADJ	TRANPIS	0	0	0	0	0	0	0	0
34 352-STRUCTURES & IMPROV. - ACQ ADJ	TRANPIS	(1,224)	0	0	0	0	0	0	0
35 353-STATION EQUIPMENT - ACQ ADJ	TRANPIS	(166,589)	0	0	0	0	0	0	0
36 354-TOWERS & FIXTURES - ACQ ADJ	TRANPIS	(9,835)	0	0	0	0	0	0	0
37 355-POLES & FIXTURES - ACQ ADJ	TRANPIS	(177,631)	0	0	0	0	0	0	0
38 356-OVHD COND. & DEVICES - ACQ ADJ	TRANPIS	(97,244)	0	0	0	0	0	0	0
39 359-ROADS & TRAILS - ACQ ADJ	TRANPIS	(1,277)	0	0	0	0	0	0	0
40 TOTAL TRANSMISSION DEPREC EXPENSE		\$1,339,858	\$0	\$0	\$0	\$0	\$0	\$0	\$0



TOTAL COMPANY	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>						
<b>DISTRIBUTION DEPREC EXPENSE</b>						
360-LAND RIGHTS	\$0	\$0	\$0	\$0	\$0	\$0
361-STRUCTURES & IMPROV	128,059	128,059	0	0	0	0
362-STATION EQUIPMENT	1,395,308	1,395,308	0	0	0	0
364-POLES, TOWERS & FIXTURES	3,622,900	3,622,900	0	0	0	0
365-OVERHEAD CONDUCT & DEV	2,167,134	2,167,134	0	0	0	0
366-UNDERGROUND CONDUIT	555,792	555,792	0	0	0	0
367-UNDERGROUND COND & DEV	1,256,674	1,256,674	0	0	0	0
368-LINE TRANSFORMERS	2,333,199	0	2,333,199	0	0	0
369-SERVICES	456,669	0	456,669	0	0	0
370-METERS	275,816	0	275,816	0	0	0
371-INSTALLATIONS CUST PREM	0	0	0	0	0	0
373-STRT LGHT & SIGNAL SYS	155,623	0	155,623	0	0	0
360-LAND RIGHTS - ACQ ADJ	0	0	0	0	0	0
361-STRUCTURES & IMPROV - ACQ ADJ	(48,234)	(48,234)	0	0	0	0
362-STATION EQUIPMENT - ACQ ADJ	(448,807)	(448,807)	0	0	0	0
364-POLES, TOWERS & FIX - ACQ ADJ	(924,818)	(924,818)	0	0	0	0
365-OVERHEAD COND & DEV - ACQ A	(568,825)	(568,825)	0	0	0	0
366-UNDERGRND CONDUIT - ACQ AD	(186,318)	(186,318)	0	0	0	0
367-UNDERGR COND & DEV - ACQ AD	(287,696)	(287,696)	0	0	0	0
368-LINE TRANSFORMERS - ACQ ADJ	(511,053)	0	(511,053)	0	0	0
369-SERVICES - ACQ ADJ	(163,790)	0	(163,790)	0	0	0
370-METERS - ACQ ADJ	(95,981)	0	(95,981)	0	0	0
373-ST LGHT & SIGNAL SYS - ACQ AD	(52,644)	0	(52,644)	0	0	0
<b>TOTAL DISTRIBUTION DEPREC EXPENSE</b>	<b>\$9,059,006</b>	<b>\$6,661,168</b>	<b>\$2,397,838</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

UNSE ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
OPERATION & MAINTENANCE EXPENSE CONTINUED							
1 GENERAL DEPREC EXPENSE							
2 389-LAND & LAND RIGHTS	GENLPI	\$0	\$0	\$0	\$0	\$0	\$0
3 390-STRUCT & IMPROVE	GENLPI	52,805	0	14,781	223	6,086	0
4 391-OFFICE FURN & EQUIP	GENLPI	311,735	0	87,263	1,317	35,927	0
5 392-TRANSP EQUIP	GENLPI	(41,310)	(0)	(11,564)	(175)	(4,761)	(0)
6 393-STORES EQUIPMENT	GENLPI	3,247	0	909	14	374	0
7 394-TOOLS, SHOP, & GAR EQ	GENLPI	72,603	0	20,323	307	8,367	0
8 395-LABORATORY EQUIP	GENLPI	37,963	0	10,627	160	4,375	0
9 396-POWER OPER EQUIP	GENLPI	42,108	0	11,787	178	4,853	0
10 397-COMMUNICATION EQUIP	GENLPI	85,563	0	23,951	361	9,861	0
11 398-MISCELLANEOUS EQUIP	GENLPI	6,680	0	1,870	28	770	0
12 389-LAND & LAND RIGHTS - ACQ ADJ	GENLPI	0	0	0	0	0	0
13 390-STRUCT & IMPROVE - ACQ ADJ	GENLPI	(17,677)	(0)	(4,948)	(75)	(2,037)	(0)
14 391-OFFICE FURN & EQUIP - ACQ ADJ	GENLPI	(125,196)	(0)	(35,046)	(529)	(14,428)	(0)
15 392-TRANSP EQUIP - ACQ ADJ	GENLPI	0	0	0	0	0	0
16 393-STORES EQUIPMENT - ACQ ADJ	GENLPI	(1,025)	(0)	(287)	(4)	(118)	(0)
17 394-TOOLS, SHOP, & GAR EQ - ACQ ADJ	GENLPI	(25,038)	(0)	(7,009)	(106)	(2,886)	(0)
18 395-LABORATORY EQUIP - ACQ ADJ	GENLPI	(8,416)	(0)	(2,356)	(36)	(970)	(0)
19 396-POWER OPER EQUIP - ACQ ADJ	GENLPI	(5,536)	(0)	(1,550)	(23)	(638)	(0)
20 397-COMMUNICATION EQUIP - ACQ ADJ	GENLPI	(17,690)	(0)	(4,952)	(75)	(2,039)	(0)
21 398-MISCELLANEOUS EQUIP - ACQ ADJ	GENLPI	(1,160)	(0)	(325)	(5)	(134)	(0)
22 TOTAL GENERAL DEPREC EXPENSE		\$369,656	\$0	\$103,476	\$1,562	\$42,602	\$0
23 TOTAL DEPREC & AMORT EXPENSE		\$13,326,576	\$0	\$2,673,774	\$1,562	\$1,840,244	\$0
24							
25							
26							
27 TAXES OTHER THAN INCOME TAXES							
28							
29 TAXES OTHER THAN INCOME TAXES							
30 PRODUCTION PROPERTY TAX	PRODPIS	\$569,729	\$0	\$0	\$0	\$569,729	\$0
31 TRANSMISSION PROPERTY TAX	TRANPIS	408,107	0	0	0	0	0
32 DISTRIBUTION PROPERTY TAX	DISTPIS	2,284,584	0	604,894	0	0	0
33 GENERAL PROPERTY TAX	TOTPIS	291,025	0	52,048	69	67,269	0
34 PAYROLL TAX	LABXAG	348,088	0	112,505	1,970	15,034	0
35 MEDICAL AND DENTAL	LABXAG	2,773	0	896	16	120	0
36 REGULATORY & OTHER	LABXAG	301	0	97	2	13	0
37 TOTAL TAXES OTHER THAN INCOME		\$3,904,607	\$0	\$770,440	\$2,057	\$652,164	\$0
38							



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

TOTAL COMPANY (1)	DEMAND (2)	ENERGY (3)	CUSTOMER (4)	CAP-PROD (5)	CAP-TRA-PEAK (6)	CAP-TRA-WAPA (7)
\$139,878,616	\$24,893,624	\$103,031,829	\$11,953,163	\$515,992	\$3,636,918	\$0
\$18,608,275	\$16,467,980	\$0	\$2,140,294	\$1,729	\$7,396,923	\$0

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40 TOTAL EXPENSES BEFORE INCOME TAX  
41  
42 OPERATING INCOME BEFORE INCOME TAX  
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DEVELOPMENT OF INCOME TAXES

1	TOTAL OPERATING REVENUES	41,361,604	103,031,829	14,093,458	517,721	11,033,841	0
2	LESS:						
3	OPERATION & MAINT EXPENSE	11,106,655	103,031,829	8,508,949	512,373	1,144,510	0
4	DEPREC & AMORT EXPENSE	0	0	0	0	0	0
5	TAXES OTHER THAN INCOME	3,134,167	0	770,440	2,057	652,164	0
6	OPERATING INCOME BEFORE TAXES	31,934,850	27,120,782	4,814,068	3,291	9,237,166	0
7	LESS:						
8	INTEREST	0	0	0	0	0	0
9	TOTPIS						
10	STATE TAXABLE INCOME	31,934,850	27,120,782	4,814,068	3,291	9,237,166	0
11	TOTAL STATE INCOME TAX	0	0	0	0	0	0
12	FEDERAL TAXABLE INCOME	31,934,850	27,120,782	4,814,068	3,291	9,237,166	0
13	STATE AND FEDERAL INCOME TAX	0	0	0	0	0	0
14	INC TAX	4,012,056	3,294,522	717,534	956	927,362	0
15	DEF INC TAX	0	0	0	0	0	0
16	TOTAL INCOME TAXES	4,012,056	3,294,522	717,534	956	927,362	0
17	TOTAL OPERATING EXPENSES	4,012,056	3,294,522	717,534	956	927,362	0
18	TOTAL NET INCOME	\$143,890,672	28,188,146	103,031,829	12,670,697	4,564,280	0
19		\$14,596,219	13,173,458	0	1,422,761	773	6,469,561
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

	CAP-SUBTRA (8)	CUST-DIST-PRI (9)	CUST-DIST-SEC (10)	CUST-TRN-SVC (11)	CUST-METER (12)	CUST-METER RDG (13)	CUST-BILL & COL (14)	CUST-INFO (15)	CUST-OTHER (16)
39 TOTAL EXPENSES BEFORE INCOME TAX	\$2,757,396	\$14,163,607	\$3,819,710	\$4,226,380	\$1,753,057	\$842,235	\$4,562,725	\$202,053	\$366,714
40 OPERATING INCOME BEFORE INCOME TAX	\$2,142,793	\$5,272,470	\$1,654,066	\$1,987,107	\$200,702	\$739	\$19,499	\$3,962	(\$71,715)
DEVELOPMENT OF INCOME TAXES									
1 TOTAL OPERATING REVENUES	4,900,189	19,436,077	5,473,775	6,213,488	1,953,759	842,973	4,582,224	206,015	294,999
2 LESS:									
3 OPERATION & MAINT EXPENSE	818,808	6,703,829	1,927,135	1,348,992	1,418,702	835,426	4,499,633	193,569	212,627
4 DEPREC & AMORT EXPENSE	0	0	0	0	0	0	0	0	0
5 TAXES OTHER THAN INCOME	462,451	1,603,666	413,829	577,532	110,505	3,870	35,864	4,822	37,847
6 OPERATING INCOME BEFORE TAXES	3,618,930	11,128,582	3,132,812	4,286,964	424,552	3,677	46,726	7,623	44,526
7 LESS:									
8 INTEREST	0	0	0	0	0	0	0	0	0
9 TOTPIS									
10 STATE TAXABLE INCOME	3,618,930	11,128,582	3,132,812	4,286,964	424,552	3,677	46,726	7,623	44,526
11 TOTAL STATE INCOME TAX	0	0	0	0	0	0	0	0	0
12 FEDERAL TAXABLE INCOME	3,618,930	11,128,582	3,132,812	4,286,964	424,552	3,677	46,726	7,623	44,526
13 STATE AND FEDERAL INCOME TAX	0	0	0	0	0	0	0	0	0
14 INC TAX	430,374	1,541,206	394,625	563,486	97,752	1,798	16,666	2,241	35,590
15 DEF INC TAX	0	0	0	0	0	0	0	0	0
16 TOTAL INCOME TAXES	430,374	1,541,206	394,625	563,486	97,752	1,798	16,666	2,241	35,590
17 TOTAL OPERATING EXPENSES	430,374	1,541,206	394,625	563,486	97,752	1,798	16,666	2,241	35,590
18 TOTAL NET INCOME	3,187,770	15,704,813	4,214,335	4,789,866	1,850,809	844,033	4,578,391	204,294	402,305
19	1,712,419	3,731,264	1,259,440	1,423,622	102,949	(1,060)	2,833	1,721	(107,305)

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

		TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
PRESENT RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS								
RATE OF RETURN		7.29%	0.09%	6.44%	18.41%	24.69%	21.66%	-6.37%
REVENUES REQUIRED								
1	DEMAND COMPONENTS	41,361,604	16,485,659	2,743,485	16,580,240	4,979,235	539,593	33,392
2	DEMAND PRODUCTION		281,466	31,042	151,456	48,792	4,481	484
3	DEMAND TRANSMISSION (PEAKING)		2,531,790	579,669	5,518,275	2,220,048	184,503	(445)
4	DEMAND TRANSMISSION (WAPA)		0	0	0	0	0	0
5	DEMAND SUBTRANSMISSION		1,750,628	272,509	2,037,012	772,435	65,853	1,752
6	DEMAND DISTRIBUTION PRIMARY		9,377,256	1,447,309	6,818,542	1,482,905	284,755	25,310
7	DEMAND DISTRIBUTION SEC/PMDARY		2,544,519	412,956	2,054,956	455,054	0	6,291
8	ENERGY COMPONENTS	103,031,829	56,400,269	6,218,848	29,891,548	9,542,209	880,877	98,078
9	CUSTOMER COMPONENTS	14,093,458	8,658,652	1,457,577	2,842,714	646,006	19,536	488,973
10	DEMAND DISTRIBUTION TRANSF & SVCS		2,891,930	468,385	2,319,016	512,575	14,367	7,214
11	CUSTOMER METER		1,489,235	285,446	176,118	1,162	1,797	0
12	CUSTOMER METER READING		660,369	108,095	52,911	21,086	512	0
13	CUSTOMER BILLING & COLLECTION		3,417,739	562,163	277,536	111,078	2,691	211,016
14	CUSTOMER INFORMATION		164,000	27,610	14,180	87	139	0
15	CUSTOMER OTHER		35,379	5,878	2,953	18	29	250,743
16		(0)						
17								
18								
19								
20								
21	TOTAL COMPANY	158,486,890	81,544,580	10,419,910	49,314,502	15,167,450	1,440,005	600,443

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

		TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
PRESENT RATE OF RETURN SUMMARY SCHEDULE - UNIT COST								
RATE OF RETURN		7.29%	0.09%	6.44%	18.41%	24.69%	21.66%	-6.37%
\$/KWH								
1	DEMAND COMPONENTS	\$0.0257						
2	DEMAND PRODUCTION	0.0257	0.0206	0.0301	0.0336	0.0251	0.0307	0.0102
3	DEMAND TRANSMISSION (PEAKING)	0.0003	0.0004	0.0003	0.0003	0.0002	0.0003	0.0001
4	DEMAND TRANSMISSION (WAPA)	0.0069	0.0032	0.0064	0.0112	0.0112	0.0105	(0.0001)
5	DEMAND SUBTRANSMISSION	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
6	DEMAND DISTRIBUTION PRIMARY	0.0031	0.0022	0.0030	0.0041	0.0039	0.0037	0.0005
7	DEMAND DISTRIBUTION SEC/PMDARY	0.0121	0.0117	0.0159	0.0138	0.0075	0.0162	0.0078
8	ENERGY COMPONENTS	0.0034	0.0032	0.0045	0.0042	0.0023	0.0000	0.0019
9	CUSTOMER COMPONENTS	0.0641	0.0704	0.0683	0.0605	0.0480	0.0501	0.0300
10	CUSTOMER DISTRIBUTION TRANSF & SVCS	0.0088	0.0108	0.0160	0.0058	0.0033	0.0011	0.1436
11	CUSTOMER METER	0.0039	0.0036	0.0051	0.0047	0.0026	0.0008	0.0022
12	CUSTOMER METER READING	0.0012	0.0019	0.0031	0.0004	0.0000	0.0001	0.0000
13	CUSTOMER BILLING & COLLECTION	0.0005	0.0008	0.0012	0.0001	0.0001	0.0000	0.0000
14	CUSTOMER INFORMATION	0.0029	0.0043	0.0062	0.0006	0.0006	0.0002	0.0646
15	CUSTOMER OTHER	0.0001	0.0002	0.0003	0.0000	0.0000	0.0000	0.0000
16		0.0002	0.0000	0.0001	0.0000	0.0000	0.0000	0.0768
17								
18								
19								
20								
21	TOTAL COMPANY	\$0.0987	0.1017	0.1145	0.0998	0.0764	0.0818	0.1839



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

CLAIMED RATE OF RETURN SUMMARY SCHEDULE - REVENUE REQUIREMENTS									
	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7		
RATE OF RETURN	9.89%	9.89%	9.89%	9.89%	9.89%	9.89%	9.89%		
REVENUES REQUIRED									
1 DEMAND COMPONENTS	47,707,917	32,208,705	3,394,162	9,877,069	1,859,848	268,652	99,481		
2 DEMAND PRODUCTION	518,077	282,381	31,078	151,071	48,594	4,466	487		
3 DEMAND TRANSMISSION (PEAKING)	13,144,534	9,410,416	846,658	2,350,236	462,328	55,487	19,409		
4 DEMAND TRANSMISSION (WAPA)	0	(0)	(0)	(0)	(0)	(0)	(0)		
5 DEMAND SUBTRANSMISSION	5,459,084	3,571,518	343,186	1,198,456	307,212	31,705	7,008		
6 DEMAND DISTRIBUTION PRIMARY	22,133,821	14,583,611	1,679,340	4,819,706	818,479	176,994	55,689		
7 DEMAND DISTRIBUTION SECPRMDARY	6,452,401	4,360,778	493,901	1,357,599	223,235	(0)	16,888		
8 ENERGY COMPONENTS	103,031,829	56,400,269	6,218,848	29,891,548	9,542,209	880,877	98,078		
9 CUSTOMER COMPONENTS	16,280,418	11,351,689	1,586,297	2,014,062	384,425	12,574	931,371		
10 CUSTOMER DISTRIBUTION TRANSF & SVCS	7,307,386	4,934,295	559,405	1,534,731	251,832	7,995	18,129		
11 CUSTOMER METER	2,572,668	2,115,754	321,734	133,231	723	1,227	(0)		
12 CUSTOMER METER READING	838,616	655,676	107,825	53,260	21,338	517	0		
13 CUSTOMER BILLING & COLLECTION	4,600,748	3,434,988	563,173	276,495	110,435	2,678	212,979		
14 CUSTOMER INFORMATION	216,414	174,520	28,219	13,466	79	129	(0)		
15 CUSTOMER OTHER	744,585	36,456	5,941	2,881	17	28	699,263		
16 TOTAL COMPANY	167,020,163	99,960,662	11,199,307	41,782,679	11,786,482	1,162,103	1,128,930		
17									
18									
19 CUSTOMER COMPONENT \$/MO/CUST	14.76867	12.21810	17.64238	82.47255	2,669,61498	53.50640	15.90456		
20									
21									

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

CLAIMED RATE OF RETURN SUMMARY SCHEDULE - UNIT COSTS									
	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7		
RATE OF RETURN	9.89%	9.89%	9.89%	9.89%	9.89%	9.89%	9.89%		
\$/KWH									
1 DEMAND COMPONENTS	\$0.0297								
2 DEMAND PRODUCTION	\$0.0003	\$0.0402	\$0.0373	\$0.0200	\$0.0094	\$0.0153	\$0.0305		
3 DEMAND TRANSMISSION (PEAKING)	\$0.0082	\$0.0004	\$0.0003	\$0.0003	\$0.0002	\$0.0003	\$0.0001		
4 DEMAND TRANSMISSION (WAPA)	\$0.0000	\$0.0117	\$0.0093	\$0.0048	\$0.0023	\$0.0032	\$0.0059		
5 DEMAND SUBTRANSMISSION	\$0.0034	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
6 DEMAND DISTRIBUTION PRIMARY	\$0.0138	\$0.0045	\$0.0038	\$0.0024	\$0.0015	\$0.0018	\$0.0021		
7 DEMAND DISTRIBUTION SEC/PMDARY	\$0.0040	\$0.0182	\$0.0184	\$0.0098	\$0.0041	\$0.0101	\$0.0171		
8 ENERGY COMPONENTS	\$0.0641	\$0.0054	\$0.0054	\$0.0027	\$0.0011	\$0.0000	\$0.0052		
9 CUSTOMER COMPONENTS	\$0.0101	\$0.0704	\$0.0683	\$0.0605	\$0.0480	\$0.0501	\$0.0300		
10 DEMAND DISTRIBUTION TRANSF & SVCS	\$0.0045	\$0.0142	\$0.0174	\$0.0041	\$0.0019	\$0.0007	\$0.2852		
11 CUSTOMER METER	\$0.0016	\$0.0062	\$0.0061	\$0.0031	\$0.0013	\$0.0005	\$0.0059		
12 CUSTOMER METER READING	\$0.0005	\$0.0026	\$0.0035	\$0.0003	\$0.0000	\$0.0001	\$0.0000		
13 CUSTOMER BILLING & COLLECTION	\$0.0029	\$0.0043	\$0.0062	\$0.0006	\$0.0006	\$0.0002	\$0.0652		
14 CUSTOMER INFORMATION	\$0.0001	\$0.0002	\$0.0003	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
15 CUSTOMER OTHER	\$0.0005	\$0.0000	\$0.0001	\$0.0000	\$0.0000	\$0.0000	\$0.2142		
16 SYSTEM BENEFITS	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
17 RENEWABLES									
18 ENVIRONMENTAL									
19 DSM									
20 LOW INCOME									
21 TOTAL COMPANY	\$0.1040	\$0.1247	\$0.1230	\$0.0846	\$0.0593	\$0.0660	\$0.3457		

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
DEVELOPMENT OF LABOR ALLOCATION FACTOR							
1 POWER PRODUCTION LABOR							
2 OTHER POWER GENERATION							
3 OPERATION							
4 546-SUPERVISION & ENGINEER	OX546	18,449	2,034	9,778	3,121	288	32
5 547-FUEL	OX547	0	0	0	0	0	0
6 548-GENERATION EXPENSES	OX548	15,096	1,665	8,001	2,554	236	26
7 549-MISC OTH POWER GEN EXP	OX549	730	44	212	68	6	1
8 550-RENTS	OX550	0	0	0	0	0	0
9 550.1-OPER SUPPLIES & EXP	OX5501	0	0	0	0	0	0
10 TOTAL OPERATION LABOR		33,945	3,743	17,990	5,743	530	59
11 MAINTENANCE							
12 551-SUPERVISION & ENGINEER	MX551	22,315	2,461	11,827	3,775	349	39
13 552-STRUCTURES	MX552	0	0	0	0	0	0
14 553-GENERATING & ELECT PLT	MX553	52,944	5,838	28,060	8,957	827	92
15 554-MISC OTH POWER GEN PLT	MX554	24,502	2,702	12,986	4,145	383	43
16 554.1-OTHER PLANT MAINT	MX5541	0	0	0	0	0	0
17 TOTAL MAINTENANCE LABOR		99,761	11,000	52,872	16,878	1,558	173
18 TOT OTH POWER GENERATION LABOR		133,706	14,743	70,863	22,621	2,088	233
19 OTHER POWER SUPPLY LABOR							
20 555-PURCHASED POWER	OX555	0	0	0	0	0	0
21 556-SYS CONTRL & LOAD DISP	OX556	0	0	0	0	0	0
22 557-OTHER EXPENSES	OX557	26,815	2,957	14,212	4,537	419	47
23 TOTAL OTHER POWER SUPPLY LABOR		26,815	2,957	14,212	4,537	419	47
24 TOTAL POWER PRODUCTION LABOR		160,521	17,699	85,074	27,158	2,507	279
25							
26 TRANSMISSION LABOR							
27 OPERATION							
28 560-SUPERVISION & ENGINEER	OX560	0	0	0	0	0	0
29 561-LOAD DISPATCHING	OX561	34,894	3,848	18,494	5,904	545	61
30 562-STATION EXPENSES	OX562	7,340	809	3,890	1,242	115	13
31 563-OVERHEAD LINE EXPENSES	OX563	2,138	236	1,133	362	33	4
32 564-UNDERGROUND LINE EXP	OX564	0	0	0	0	0	0
33 565-TRANSM ELECT BY OTHERS	OX565	0	0	0	0	0	0
34 566-MISCELLANEOUS TRNSM EXP	OX566	6,762	746	3,584	1,144	106	12
35 567-RENTS	OX567	0	0	0	0	0	0
36 TOTAL OPERATION LABOR		51,134	5,638	27,101	8,651	799	89
37 MAINTENANCE							
38 568-SUPERVISION & ENGINEER	MX568	0	0	0	0	0	0
39 569-STRUCTURES	MX569	0	0	0	0	0	0
40 570-STATION EQUIPMENT	MX570	5,043	556	2,673	853	79	9
41 571-OVERHEAD LINES	MX571	796	88	422	135	12	1
42 572-MAINT OF UNDERGRND LINES	MX572	0	0	0	0	0	0
43 573-MAINT MISC TRANSM PLT	MX573	0	0	0	0	0	0
44 TOTAL MAINTENANCE LABOR		5,839	644	3,095	988	91	10
45 TOTAL TRANSMISSION LABOR		56,973	6,282	30,195	9,639	890	99





UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALLOCATION FACTOR TABLE

	ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1								
2								
1								
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALLOCATION FACTOR TABLE CONTINUED										
1	ENERGY RELATED		ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
2										
3	ENERGY PRODUCTION PWR SUPPLY		EPROD	387,211	211,962	23,371	112,338	35,861	3,310	369
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13										
14										
15										
16	CUSTOMER RELATED - DISTRIBUTION									
17	UNWEIGHTED CUSTOMER BILLS		CUSTAVG	91,864	77,424	7,493	2,035	12	20	4,880
18	WEIGHTED CUSTOMER BILLS		CUST	101,242	77,424	12,738	6,105	36	59	4,880
19	BILLING AND COLLECTION		CBILLCOL	103,606	77,424	12,738	6,105	2,400	59	4,880
20	CUSTOMER INFORMATION		CINFO	96,362	77,424	12,738	6,105	36	59	0
21	METERS		CMETERS	96,362	77,424	12,738	6,105	36	59	0
22	STREET LIGHTING		CLIGHT	1	0	0	0	0	0	1
23	METER READING		CMETRDG	98,726	77,424	12,738	6,105	2,400	59	0
24										
25										
26										
27										
28										
29	REVENUE RELATED									
30	904-UNCOLLECTIBLE ACCOUNT EXP		EXP904	156,651,860	80,583,883	10,297,839	48,754,713	14,999,784	1,423,816	591,825
30				156,651,860	80,583,883	10,297,839	48,754,713	14,999,784	1,423,816	591,825

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALLOCATION FACTOR TABLE CONTINUED						
	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5
						INTERRUPTIBLE 6
						STREET LIGHTING 7
1						
2	INTERNALLY DEVELOPED					
3	PLANT IN SERVICE EXCL GENERAL					
4	TOTAL PLANT IN SERVICE	328,476,108	190,783,678	23,356,039	87,681,652	20,922,606
5	PRODUCTION PLANT IN SERVICE	357,240,310	208,065,861	25,578,092	94,735,306	22,528,296
6	TRANSMISSION PLANT IN SERVICE	78,200,517	42,807,453	4,720,067	22,687,499	7,242,477
7	DISTRIBUTION PLANT IN SERVICE	35,896,215	19,649,813	2,166,642	10,414,194	3,324,499
8	DISTRIBUTION SUBSTATIONS	214,379,375	128,326,412	16,469,330	54,579,959	10,355,630
9	TOTAL TRANSMISSION & DISTRIBUTION	25,217,025	15,064,912	1,907,217	6,658,354	1,375,356
10	GENERAL PLANT	250,275,591	147,976,225	18,635,972	64,994,153	12,733,810
11	BASE RATE SALES REVENUE	20,147,420	12,277,432	1,609,364	4,753,536	1,682,253
12	TOTAL O&M LESS FUEL & PP& WAPA	156,651,860	80,583,883	10,297,839	48,754,713	123,876
13	ACCOUNT 360	19,349,407	12,464,199	1,756,889	3,767,679	1,423,816
14	ACCOUNT 361	575,566	343,849	43,531	151,974	96,170
15	ACCOUNT 362	2,792,448	1,668,237	211,199	737,324	29,074
16	ACCOUNT 364	25,217,025	15,064,912	1,907,217	6,658,354	1,410,571
17	ACCOUNT 365	58,100,506	34,709,843	4,394,265	15,340,975	1,273,810
18	ACCOUNT 366	38,988,850	23,292,343	2,948,810	10,294,695	2,934,882
19	ACCOUNT 367	8,907,118	5,376,594	680,677	2,376,334	1,969,478
20	ACCOUNT 368	23,036,236	13,905,339	1,760,416	6,145,849	454,617
21	ACCOUNT 369	39,197,813	23,660,935	2,995,474	10,457,604	1,175,762
22	ACCOUNT 370	7,395,370	4,418,071	559,328	1,952,688	2,000,644
23	ACCOUNT 371	7,326,067	5,886,288	968,414	484,162	373,569
24	ACCOUNT 373	0	0	0	0	2,737
25	DISTRIBUTION SUBSTATIONS	2,842,376	0	0	0	4,467
26	DISTRIBUTION OVERHEAD LINES	25,217,025	15,064,912	1,907,217	6,658,354	0
27	DISTRIBUTION UNDERGROUND LINES	38,988,850	23,292,343	2,948,810	10,294,695	259,787
28		31,943,354	19,281,933	2,441,092	8,522,184	401,665
29						0
30						0
31						2,842,376
32						0
33						52,945
34						81,860
35						67,766
36						
37						
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ALLOCATION FACTOR TABLE CONTINUED							
1      INTERNALLY DEVELOPED CONTINUED							
ALLOC	TOTAL	RESIDENTIAL	SGS	LGS	LPS	INTERRUPTIBLE	STREET LIGHTING
	1	2	3	4	5	6	7
3	ACCOUNT 546	2,264	137	657	210	19	2
4	ACCOUNT 547	266,198	16,067	77,229	24,654	2,276	253
5	ACCOUNT 548	26,287	14,389	1,587	7,626	2,435	25
6	ACCOUNT 549	52,481	3,168	15,226	4,860	449	50
7	ACCOUNT 550	0	0	0	0	0	0
8	ACCOUNT 550.1	0	0	0	0	0	0
9	LABOR ACCOUNT 547-550.1	0	0	0	0	0	0
10	ACCOUNT 551	28,308	1,709	8,213	2,622	242	27
11	ACCOUNT 552	54,625	3,297	15,848	5,059	467	52
12	ACCOUNT 553	0	0	0	0	0	0
13	ACCOUNT 554	255,461	15,419	74,114	23,659	2,184	243
14	ACCOUNT 554.1	80,460	4,856	23,343	7,452	688	77
15	LABOR ACCOUNT 552-554.1	182,243	0	0	0	0	0
16	ACCOUNT 555	97,188,350	11,000	52,872	16,878	1,558	173
17	ACCOUNT 556	0	5,866,144	28,196,241	9,001,020	830,918	92,516
18	ACCOUNT 557	202,235	0	0	0	0	0
19	ACCOUNT 560	0	12,207	58,672	18,730	1,729	193
20	ACCOUNT 561	66,776	0	0	0	0	0
21	ACCOUNT 562	9,394	4,030	19,373	6,184	571	64
22	ACCOUNT 563	75,228	567	2,725	870	80	9
23	ACCOUNT 564	3,324	4,541	21,825	6,967	643	72
24	ACCOUNT 565	0	201	964	308	28	3
25	ACCOUNT 566	5,843,478	352,704	1,695,307	541,189	49,959	5,563
26	ACCOUNT 567	19,495	1,177	5,856	1,806	167	19
27	LABOR ACCOUNT 561-567	11,857	716	3,440	1,098	101	11
28	ACCOUNT 568	93,412	5,638	27,101	8,651	799	89
29	ACCOUNT 569	24	1	7	2	0	0
30	ACCOUNT 570	0	0	0	0	0	0
31	ACCOUNT 571	20,513	1,238	5,951	1,900	175	20
32	ACCOUNT 572	7,354	444	2,134	681	63	7
33	ACCOUNT 573	0	0	0	0	0	0
34	LABOR ACCOUNT 569-573	0	0	0	0	0	0
35	ACCOUNT 580	10,667	644	3,095	988	91	10
36	ACCOUNT 581	364,186	34,086	72,570	12,513	1,416	2,424
37	ACCOUNT 582	437,055	33,576	111,272	21,112	2,804	6,672
38	ACCOUNT 583	72,715	5,500	19,200	3,673	749	153
39	ACCOUNT 584	811,053	61,342	214,152	40,969	8,355	1,703
40	ACCOUNT 585	511,510	39,089	136,466	26,107	0	1,085
41	ACCOUNT 586	1,628	0	0	0	0	1,628
42		743,347	98,261	47,097	278	453	0

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1 ALLOCATION FACTOR TABLE CONTINUED							
2 INTERNALLY DEVELOPED CONTINUED							
3							
4 ACCOUNT 587	15,998	9,576	1,229	4,073	773	103	244
5 ACCOUNT 588	351,137	210,189	26,975	89,398	16,962	2,253	5,360
6 ACCOUNT 589	99,440	59,524	7,639	25,317	4,803	638	1,518
7 LABOR ACCOUNTS 581-589	1,508,484	997,847	141,000	300,191	51,763	5,858	10,026
8 ACCOUNT 590	54,430	31,307	3,964	13,832	2,646	452	2,230
9 ACCOUNT 591	0	0	0	0	0	0	0
10 ACCOUNT 592	472,734	282,416	35,754	124,822	23,880	4,870	993
11 ACCOUNT 593	1,006,308	601,179	76,109	265,708	50,833	10,367	2,113
12 ACCOUNT 594	142,605	86,080	10,898	38,046	7,279	0	303
13 ACCOUNT 595	103,968	62,758	7,945	27,738	5,306	0	221
14 ACCOUNT 596	56,424	0	0	0	0	0	56,424
15 ACCOUNT 597	123	99	16	8	0	0	0
16 ACCOUNT 598	7,233	4,330	556	1,842	349	46	110
17 LABOR ACCOUNTS 591-598	1,188,615	683,657	86,562	302,055	57,782	9,864	48,695
18 ACCOUNT 901	172,327	129,439	21,295	10,207	3,945	98	7,343
19 ACCOUNT 902	730,556	572,926	94,258	45,178	17,760	435	0
20 ACCOUNT 903	3,617,005	2,702,966	444,693	213,142	83,787	2,051	170,367
21 ACCOUNT 904	579,538	298,122	38,097	180,369	55,492	5,267	2,189
22 ACCOUNT 905	29,171	22,308	3,670	1,759	10	17	1,406
23 LABOR ACCOUNTS 902-905	839,309	630,425	103,718	49,712	19,214	478	35,762
24 ACCOUNT 907	217,492	130,189	16,708	55,372	10,506	1,395	3,320
25 ACCOUNT 908	34,001	27,319	4,495	2,154	13	21	0
26 ACCOUNT 909	62,059	49,863	8,203	3,932	23	38	0
27 ACCOUNT 910	9,778	7,857	1,293	620	4	6	0
28 LABOR ACCOUNTS 908-910	114,837	92,268	15,180	7,276	43	70	0
29 ACCOUNT 911	0	0	0	0	0	0	0
30 ACCOUNT 912	0	0	0	0	0	0	0
31 ACCOUNT 913	0	0	0	0	0	0	0
32 ACCOUNT 914	0	0	0	0	0	0	0
33 LABOR ACCOUNTS 912-917	0	0	0	0	0	0	0
34 ACCOUNT 920	770,768	478,198	64,197	173,023	36,599	4,432	14,319
35 ACCOUNT 921	0	0	0	0	0	0	0
36 ACCOUNT 922	0	0	0	0	0	0	0
37 ACCOUNT 923	0	0	0	0	0	0	0
38 ACCOUNT 924	0	0	0	0	0	0	0
39 ACCOUNT 925	512,417	317,912	42,679	115,028	24,332	2,947	9,520
40 ACCOUNT 926	1,172,133	727,211	97,626	263,121	55,658	6,740	21,776
41 ACCOUNT 927	200,000	116,485	14,320	53,037	12,612	1,420	2,125
42 ACCOUNT 928	0	0	0	0	0	0	0
43 ACCOUNT 929	0	0	0	0	0	0	0



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1								
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UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE CONTINUED						
1	2	3	4	5	6	7
ALOC	TOTAL	RESIDENTIAL	SGS	LGS	LPS	STREET LIGHTING
1	1	2	3	4	5	7
ENERGY RELATED						
ENERGY PRODUCTION PWR SUPPLY	1.00000	0.54741	0.06036	0.29012	0.09261	0.00095
EPROD						
CUSTOMER RELATED - DISTRIBUTION						
UNWEIGHTED CUSTOMER BILLS	1.00000	0.84282	0.08156	0.02215	0.00013	0.05312
WEIGHTED CUSTOMER BILLS	1.00000	0.76474	0.12582	0.06030	0.00036	0.04820
BILLING AND COLLECTION	1.00000	0.74729	0.12294	0.05893	0.00057	0.04710
CUSTOMER INFORMATION	1.00000	0.80347	0.13219	0.06336	0.00037	0.00000
METERS	1.00000	0.80347	0.13219	0.06336	0.00037	0.00000
STREET LIGHTING	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000
METER READING	1.00000	0.78423	0.12902	0.06184	0.02431	0.00000
CUSTAVG						
CUST						
CBILLCOL						
CINFO						
CMETERS						
CLIGHT						
CMETRDG						
REVENUE RELATED						
904-UNCOLLECTIBLE ACCOUNT EXP	1.00000	0.51441	0.06574	0.31123	0.09575	0.00378
EXP904						

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE CONTINUED

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1								
2								
3	PIXS GENL	1.00000	0.58081	0.07110	0.26693	0.06370	0.00716	0.01029
4	PLANT IN SERVICE EXCL GENERAL	1.00000	0.58243	0.07160	0.26519	0.06306	0.00710	0.01063
5	TOTPLS	1.00000	0.58243	0.07160	0.26519	0.06306	0.00710	0.01063
6	PRODUCTION PLANT IN SERVICE	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
7	TRANSMISSION PLANT IN SERVICE	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
8	DISTRIBUTION PLANT IN SERVICE	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
9	DISTRIBUTION SUBSTATIONS	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
10	TOTAL TRANSMISSION & DISTRIBUTION	1.00000	0.59125	0.07446	0.25969	0.05466	0.00672	0.01321
11	GENERAL PLANT	1.00000	0.60938	0.07988	0.23594	0.05246	0.00615	0.01620
12	GENLPLS	1.00000	0.51441	0.06574	0.31123	0.09575	0.00909	0.00378
13	SALES REV	1.00000	0.64416	0.09080	0.19472	0.04467	0.00497	0.02068
14	TOTAL O&M LESS FUEL & PP& WAPA	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
15	ACCOUNT 360	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
16	ACCOUNT 361	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
17	ACCOUNT 362	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
18	ACCOUNT 363	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
19	ACCOUNT 364	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
20	ACCOUNT 365	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
21	ACCOUNT 366	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
22	ACCOUNT 367	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
23	ACCOUNT 368	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
24	ACCOUNT 369	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
25	ACCOUNT 370	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
26	ACCOUNT 371	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
27	ACCOUNT 372	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
28	ACCOUNT 373	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
29	DISTRIBUTION SUBSTATIONS	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
30	DISTRIBUTION OVERHEAD LINES	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
31	DISTRIBUTION UNDERGROUND LINES	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE CONTINUED

	1	ALOC	TOTAL	2	3	4	5	6	7
				RESIDENTIAL	SGS	LGS	LPS	INTERRUPTIBLE	STREET LIGHTING
1	INTERNALLY DEVELOPED CONTINUED								
2									
3	ACCOUNT 546	OX546	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
4	ACCOUNT 547	OX547	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
5	ACCOUNT 548	OX548	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
6	ACCOUNT 549	OX549	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
7	ACCOUNT 550	OX550	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8	ACCOUNT 550.1	OX5501	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
9	LABOR ACCOUNT 547-550.1	LAB54750	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
10	ACCOUNT 551	MX551	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
11	ACCOUNT 552	MX552	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
12	ACCOUNT 553	MX553	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
13	ACCOUNT 554	MX554	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
14	ACCOUNT 554.1	MX5541	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15	LABOR ACCOUNT 552-554.1	LAB55254	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
16	ACCOUNT 555	OX555	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
17	ACCOUNT 556	OX556	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
18	ACCOUNT 557	OX557	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
19	ACCOUNT 560	OX560	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
20	ACCOUNT 561	OX561	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
21	ACCOUNT 562	OX562	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
22	ACCOUNT 563	OX563	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
23	ACCOUNT 564	OX564	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
24	ACCOUNT 565	OX565	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
25	ACCOUNT 566	OX566	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
26	ACCOUNT 567	OX567	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
27	LABOR ACCOUNT 561-567	LAB56167	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
28	ACCOUNT 568	MX568	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
29	ACCOUNT 569	MX569	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30	ACCOUNT 570	MX570	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
31	ACCOUNT 571	MX571	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
32	ACCOUNT 572	MX572	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
33	ACCOUNT 573	MX573	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
34	LABOR ACCOUNT 569-573	LAB56973	1.00000	0.54741	0.06036	0.29012	0.09261	0.00855	0.00095
35	ACCOUNT 580	OX580	1.00000	0.66224	0.09360	0.19927	0.03436	0.00389	0.00665
36	ACCOUNT 581	OX581	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
37	ACCOUNT 582	OX582	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
38	ACCOUNT 583	OX583	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
39	ACCOUNT 584	OX584	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
40	ACCOUNT 585	OX585	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
41	ACCOUNT 586	OX586	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000

UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE CONTINUED

	ALLOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1 INTERNALLY DEVELOPED CONTINUED								
2								
3 ACCOUNT 587	OX587	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
4 ACCOUNT 588	OX588	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
5 ACCOUNT 589	OX589	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
6 LABOR ACCOUNTS 581-589	LAB58189	1.00000	0.66224	0.09360	0.19927	0.03436	0.00642	0.00665
7 ACCOUNT 590	MX590	1.00000	0.57517	0.07283	0.25412	0.04861	0.00830	0.04097
8 ACCOUNT 591	MX591	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
9 ACCOUNT 592	MX592	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
10 ACCOUNT 593	MX593	1.00000	0.59741	0.07563	0.26404	0.05051	0.01030	0.00210
11 ACCOUNT 594	MX594	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
12 ACCOUNT 595	MX595	1.00000	0.60363	0.07642	0.26679	0.05104	0.00000	0.00212
13 ACCOUNT 596	MX596	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
14 ACCOUNT 597	MX597	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
15 ACCOUNT 598	MX598	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
16 LABOR ACCOUNTS 591-598	LAB59198	1.00000	0.57517	0.07283	0.25412	0.04861	0.00830	0.04097
17 ACCOUNT 901	OX901	1.00000	0.75112	0.12358	0.05923	0.02289	0.00057	0.04261
18 ACCOUNT 902	OX902	1.00000	0.78423	0.12902	0.06184	0.02431	0.00060	0.00000
19 ACCOUNT 903	OX903	1.00000	0.74729	0.12294	0.05893	0.02316	0.00057	0.04710
20 ACCOUNT 904	OX904	1.00000	0.51441	0.06574	0.31123	0.09575	0.00909	0.00378
21 ACCOUNT 905	OX905	1.00000	0.76474	0.12582	0.06030	0.00036	0.00058	0.04820
22 LABOR ACCOUNTS 902-905	LAB90205	1.00000	0.75112	0.12358	0.05923	0.02289	0.00057	0.04261
23 ACCOUNT907	OX907	1.00000	0.59859	0.07682	0.25460	0.04831	0.00642	0.01527
24 ACCOUNT908	OX908	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
25 ACCOUNT909	OX909	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
26 ACCOUNT910	OX910	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
27 LABOR ACCOUNTS 908-910	LAB90810	1.00000	0.80347	0.13219	0.06336	0.00037	0.00061	0.00000
28 ACCOUNT 911	OX911	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
29 ACCOUNT 912	OX912	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30 ACCOUNT 913	OX913	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31 ACCOUNT 914	OX914	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
32 LABOR ACCOUNTS 912-917	LAB91217	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
33 ACCOUNT 920	OX920	1.00000	0.62042	0.08329	0.22448	0.04748	0.00575	0.01858
34 ACCOUNT 921	OX921	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35 ACCOUNT 922	OX922	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36 ACCOUNT 923	OX923	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37 ACCOUNT 924	OX924	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
38 ACCOUNT 925	OX925	1.00000	0.62042	0.08329	0.22448	0.04748	0.00575	0.01858
39 ACCOUNT 926	OX926	1.00000	0.62042	0.08329	0.22448	0.04748	0.00575	0.01858
40 ACCOUNT 927	OX927	1.00000	0.58243	0.07160	0.26519	0.06306	0.00710	0.01063
41 ACCOUNT 928	OX928	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
42 ACCOUNT 929	OX929	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000



UNS ELECTRIC COMPANY  
RETAIL COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING JUNE 30, 2006  
BLACK MOUNTAIN GENERATING STATION

RATIO TABLE CONTINUED

	ALOC	TOTAL 1	RESIDENTIAL 2	SGS 3	LGS 4	LPS 5	INTERRUPTIBLE 6	STREET LIGHTING 7
1 INTERNALLY DEVELOPED CONTINUED								
2								
3 ACCOUNT 930	OX930	1.00000	0.58243	0.07160	0.26519	0.06306	0.00710	0.01063
4 ACCOUNT 931	OX931	1.00000	0.58243	0.07160	0.26519	0.06306	0.00710	0.01063
5 ACCOUNT 933	OX933	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
6 ACCOUNT 935	OX935	1.00000	0.60938	0.07988	0.23594	0.05246	0.00615	0.01620
7 LABOR ACCOUNTS 921-935	LAB92135	1.00000	0.57565	0.06942	0.27001	0.06878	0.00738	0.00875
8 LABOR EXCLUDING A&G	LABXAG	1.00000	0.62042	0.08329	0.22448	0.04748	0.00575	0.01858
9 LABOR	LABOR	1.00000	0.60938	0.07988	0.23594	0.05246	0.00615	0.01620
10 ACCOUNTS 581-589	OX58189	1.00000	0.64881	0.08989	0.21255	0.03767	0.00504	0.00603
11 ACCOUNTS 591-598	MX59198	1.00000	0.57945	0.07336	0.25604	0.04898	0.00854	0.03362
12								
13								
14								
15								
16 O&M EXP LESS FUEL, PP, & WAPA								
17								
18 RESIDENTIAL		1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
19 SGS		1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
20 LGS		1.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
21 LPS		1.00000	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
22 INTERRUPTIBLE		1.00000	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
23 STREET LIGHTING		1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
24								
25								
26								
27								
28								
29 REVENUES FROM SALES								
30 SALES OF ELECTRICITY REVENUES		1.00000	0.51441	0.06574	0.31123	0.09575	0.00909	0.00378
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
44								
45								

# BMGS

## Schedules H

UNS Electric, Inc.  
Summary of Revenues by Customer Classifications  
Adjusted Present Rates and Proposed Rates  
Test Year Ended June 30, 2006

Line No.	Class of Service	Adjusted Original Revenue	BMGS Adjusted Net Revenue	BMGS Proposed Net Increase	Proposed BMGS Percent Increase (a)	Line No.
1	Residential Service	\$80,583,883	\$84,432,545	\$3,848,662	4.78%	1
2	Small General Service	10,297,839	10,946,983	649,144	6.30%	2
3	Large General Service	48,754,713	51,756,662	3,001,948	6.16%	3
4	Large Power Service	14,999,784	15,868,321	868,537	5.79%	4
5	Interruptible Service	1,423,816	1,510,221	86,405	6.07%	5
6	Lighting DD	591,825	670,402	78,577	13.28%	6
8	Subtotal	156,651,860	165,185,133	8,533,274	5.45%	8
9	Other Operating Revenue	1,835,030	1,835,030	0	0.00%	9
10	Total	\$158,486,890	\$167,020,164	\$8,533,274	5.38%	10

Supporting Schedules  
(a) H-2 (P2) BMGS

Recap Schedules  
A-1 BMGS

UNIS Electric, Inc.  
Comparisons of Revenues by Rate Schedules  
Present and Proposed Rates  
Test Year Ended June 30, 2006

Line No.	Class of Service	Rate Schedule Present	Proposed	Actual			Test Year End Sales Adjustments	Adjusted			Line No.
				kWh Sales	Average Number of Customers	Average kWh per Customer		kWh Sales	Average Number of Customers	Average Sales per Customer	
1	Residential Service	RSMO/RSSC	R-01	801,705,444	77,424	10,355	0	801,705,444	77,424	10,355	1
2	Small General Service	SGSMO/SGSSC	GS-10	91,030,034	7,493	12,149	0	91,030,034	7,493	12,149	2
3	Large General Service	LGS	LGS	491,246,281	2,025	242,581	0	491,246,281	2,025	242,581	3
4	Large General Service TOU	LGS	LGS	2,903,715	10	290,372	0	2,903,715	10	290,372	4
5	Large Power Service <69KV	LPS	LPS	41,382,039	6	6,821,126	0	41,382,039	6	6,821,126	5
6	Large Power Service >69KV	LPS	LPS	157,244,717	6	27,346,907	0	157,244,717	6	27,346,907	6
7	Interruptible Power Service	IPS	IPS	17,598,914	20	898,668	0	17,598,914	20	898,668	7
8	Lighting	LTG	LTG	3,265,253	57,784	57	0	3,265,253	58,560	56	8
9	Total Electric Retail Service			<u>1,606,376,397</u>	<u>91,864</u>	<u>17,487</u>	<u>0</u>	<u>1,606,376,397</u>	<u>91,864</u>	<u>17,487</u>	9

UNS Electric, Inc.  
Comparisons of Revenues by Rate Schedules  
Present and Proposed Rates  
Test Year Ended June 30, 2006

Line No.	Class of Service	Adjusted Original Revenue	Test Year End Adjustments	Adjusted Net Revenue	Proposed TY Delivery Charge Revenue	Proposed Increase Delivery Charge \$	%	Proposed TY Base Power Supply Revenue	Proposed TY Total Revenue Requirement	Line No.
1	Residential Service	\$80,583,883	\$0	\$80,583,883	\$24,183,614	\$3,848,662	15.91%	\$56,400,269	\$84,432,545	1
2	Small General Service	10,297,839	0	10,297,839	4,078,991	649,144	15.91%	6,218,848	10,946,983	2
3	Large General Service	48,472,376	0	48,472,376	18,674,534	2,971,929	15.91%	29,891,548 <sup>(1)</sup>	51,538,010	3
4	Large General Service TOU	282,337	0	282,337	188,632	30,019	15.91%	0	218,651	4
5	Large Power Service <69KV	3,992,821	0	3,992,821	1,473,545	234,505	15.91%	9,542,209 <sup>(2)</sup>	11,250,259	5
6	Large Power Service >69KV	11,006,963	0	11,006,963	3,984,029	634,032	15.91%	0	4,618,061	6
7	Interruptible Power Service	1,423,816	0	1,423,816	542,939	86,405	15.91%	880,877	1,510,221	7
8	Lighting	591,825	0	591,825	493,747	78,577	15.91%	98,078	670,402	8
9	Total Electric Service	<u>\$156,651,860</u>	<u>\$0</u>	<u>\$156,651,860</u>	<u>\$53,620,031</u>	<u>\$8,533,274</u>	<u>15.91%</u>	<u>\$103,031,829</u>	<u>\$165,185,133</u>	9

<sup>(1)</sup> Base Power Supply Revenue of \$32,792,74 is the total for Large General Service and Large General Service TOU.

<sup>(2)</sup> Base Power Supply Revenue of \$10,468,351 is the total for Large Power Service <69 KV and Large Power Service >69 KV.

UNS Electric, Inc.  
Comparison of Present and Proposed Rates  
Test Year Ended June 30, 2006

Schedule H-3  
Page 1 of 3  
Black Mountain Generating Station

	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
Residential Service Delivery Charges - Mohave County				
Customer Charge	\$8.00	\$8.00	\$0.00	0.00%
Energy Charge, first 400 kWhs	\$0.012617	\$0.019695	\$0.0071	56.09%
Energy Charge, all additional kWhs	\$0.022617	\$0.029695	\$0.0071	31.29%
PPFAC Charge				
Residential Service Base Power Supply Charge, all kWhs	\$0.077178	\$0.070350		
Residential Service Delivery Charges - Santa Cruz County				
Customer Charge	\$8.00	\$8.00	\$0.00	0.00%
Energy Charge, first 400 kWhs	\$0.012617	\$0.019695	\$0.0071	56.09%
Energy Charge, all additional kWhs	\$0.022617	\$0.029695	\$0.0071	31.29%
PPFAC Charge				
Residential Service Base Power Supply Charge, all kWhs	\$0.077178	\$0.070350	-\$0.0068	-8.85%
Residential Time of Use Rates, all kWhs				
Summer on-peak	\$0.091368	\$0.084540	-\$0.0068	-7.47%
Summer Shoulder	\$0.080988	\$0.074160	-\$0.0068	-8.43%
Summer off-peak	\$0.076368	\$0.069540	-\$0.0068	-8.94%
Winter on-peak	\$0.080058	\$0.073230	-\$0.0068	-8.53%
Winter off-peak	\$0.065058	\$0.058230	-\$0.0068	-10.50%
Small General Service Delivery Charges Mohave County				
Customer Charge	\$12.00	\$12.00	\$0.00	0.00%
Energy Charge, first 400 kWhs	\$0.027772	\$0.034088	\$0.0063	22.74%
Energy Charge, all additional kWhs	\$0.037772	\$0.044088	\$0.0063	16.72%
PPFAC Charge				
Small General Service Base Power Supply Charge, all kWhs	\$0.074947	\$0.068316	-\$0.0066	-8.85%
Small General Service Delivery Charges Santa Cruz				
Customer Charge	\$12.00	\$12.00	\$0.00	0.00%
Energy Charge, first 400 kWhs	\$0.027772	\$0.034088	\$0.0063	22.74%
Energy Charge, all additional kWhs	\$0.037772	\$0.044088	\$0.0063	16.72%
PPFAC Charge				
Small General Service Base Power Supply Charge, all kWhs	\$0.074947	\$0.068316	-\$0.0066	-8.85%
Small General Service Time of Use Rates, all kWhs				
Summer on-peak	\$0.089557	\$0.082926	-\$0.0066	-7.40%
Summer Shoulder	\$0.078867	\$0.072236	-\$0.0066	-8.41%
Summer off-peak	\$0.074557	\$0.067926	-\$0.0066	-8.89%
Winter on-peak	\$0.078657	\$0.072026	-\$0.0066	-8.43%
Winter off-peak	\$0.063657	\$0.057026	-\$0.0066	-10.42%

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Large General Service Delivery Charges

Customer Charge	\$11.10	\$11.10	\$0.00	0.00%
Demand Charge, per kW	\$10.50	\$10.50	\$0.00	0.00%
Energy Charge (kWhs)	\$0.007497	\$0.013143	\$0.0056	75.31%
PPFAC Charge				
Large General Service Base Power Supply Charge, all kWhs	\$0.066362	\$0.060491	-\$0.0059	-8.85%

Large General Service TOU Delivery Charges

Customer Charge	\$16.00	\$16.00	\$0.00	0.00%
Demand Charge, per kW	\$10.50	\$10.50	\$0.00	0.00%
Energy Charge (kWhs)	\$0.007497	\$0.013143	\$0.0056	75.31%
PPFAC Charge				
Large General Service (TOU) Base Power Supply Charge, all kWhs	\$0.066362	\$0.060491	-\$0.0059	-8.85%

Large General Service Time of Use Rates, all kWhs

Summer on-peak	\$0.082132	\$0.076261	-\$0.0059	-7.15%
Summer Shoulder	\$0.070752	\$0.064881	-\$0.0059	-8.30%
Summer off-peak	\$0.067132	\$0.061261	-\$0.0059	-8.75%
Winter on-peak	\$0.070372	\$0.064501	-\$0.0059	-8.34%
Winter off-peak	\$0.055372	\$0.049501	-\$0.0059	-10.60%

Large Power Service (<69KV) Delivery Charges

Customer Charge	\$365.00	\$365.00	\$0.00	0.00%
Demand Charge, per kW	\$21.53	\$24.00	\$2.47	11.47%
Energy Charge (kWhs)	\$0.000000	\$0.000000	\$0.0000	0.00%
PPFAC Charge				
Large Power Service (<69KV) Base Power Supply Charge, all kWhs	\$0.052704	\$0.048041	-\$0.0047	-8.85%

Large Power Service (>69KV) Delivery Charges

Customer Charge	\$400.00	\$380.00	-\$20.00	-5.00%
Demand Charge, per kW	\$12.53	\$15.00	\$2.47	19.70%
Energy Charge (kWhs)	\$0.000000	\$0.000000		
PPFAC Charge				
Large Power Service (>69KV) Base Power Supply Charge, all kWhs	\$0.052704	\$0.048041	-\$0.0047	-8.85%

Large Power Service Time of Use Rates, all kWhs

Summer on-peak	\$0.069614	\$0.064951	-\$0.0047	-6.70%
Summer Shoulder	\$0.057624	\$0.052961	-\$0.0047	-8.09%
Summer off-peak	\$0.054614	\$0.049951	-\$0.0047	-8.54%
Winter on-peak	\$0.057614	\$0.052951	-\$0.0047	-8.09%
Winter off-peak	\$0.042614	\$0.037951	-\$0.0047	-10.94%

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Interruptible Power Service Delivery Charges

Customer Charge	\$11.10	\$11.10	\$0.00	0.00%
Demand Charge, per kW	\$3.50	\$3.50	\$0.00	0.00%
Energy Charge (kWhs)	\$0.018268	\$0.022967	\$0.0047	25.72%
PPFAC Charge	\$0.000000			
Interruptible Power Service Base Power Supply Charge, all kWhs	\$0.054911	\$0.050053	-\$0.0049	-8.85%

Large Power Service Time of Use Rates, all kWhs

Summer on-peak	\$0.071281	\$0.066423	-\$0.0049	-6.82%
Summer Shoulder	\$0.059111	\$0.054253	-\$0.0049	-8.22%
Summer off-peak	\$0.056281	\$0.051423	-\$0.0049	-8.63%
Winter on-peak	\$0.058831	\$0.053973	-\$0.0049	-8.26%
Winter off-peak	\$0.043831	\$0.038973	-\$0.0049	-11.08%

Lighting Dusk to Dawn Delivery Charges

Existing Wood Pole - Overhead	\$0.00	\$0.00	\$0.00	0.00%
New 30' Wood Pole (Class 6) - Overhead	\$4.50	\$4.50	\$0.00	0.00%
New 30' Metal or Fiberglass - Overhead	\$9.02	\$9.02	\$0.00	0.00%
Existing Wood Pole - Underground	\$2.25	\$2.25	\$0.00	0.00%
New 30' Wood Pole (Class 6) - Underground	\$6.76	\$6.76	\$0.00	0.00%
New 30' Metal or Fiberglass - Underground	\$11.27	\$11.27	\$0.00	0.00%
Wattage, per Watt	\$0.062308	\$0.061502	-\$0.000806	-1.29%
Lighting Base Power Supply Charge, customer charge	\$1.84	\$1.67	-\$0.16	-8.85%



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Residential Service Delivery Charges - Mohave County	<u>Present</u>	<u>Proposed</u>
Customer Charge	\$8.00	\$8.00
Energy Charge, first 400 kWhs	\$0.012617	\$0.019695
Energy Charge, all additional kWhs	\$0.022617	\$0.029695
Residential Service Base Power Supply Charge, all kWhs	\$0.077178	\$0.070350

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
0	\$8.00	\$8.00	\$0.00	0.00%
50	\$12.49	\$12.50	\$0.01	0.10%
100	\$16.98	\$17.00	\$0.02	0.15%
200	\$25.96	\$26.01	\$0.05	0.19%
400	\$43.92	\$44.02	\$0.10	0.23%
600	\$63.88	\$64.03	\$0.15	0.23%
800	\$83.84	\$84.04	\$0.20	0.24%
1,000	\$103.80	\$104.05	\$0.25	0.24%
2,000	\$203.59	\$204.09	\$0.50	0.24%
2,500	\$253.49	\$254.11	\$0.62	0.25%
5,000	\$502.98	\$504.23	\$1.25	0.25%
10,000	\$1,001.96	\$1,004.45	\$2.49	0.25%

Residential Service Delivery Charges - Santa Cruz County	<u>Present</u>	<u>Proposed</u>
Customer Charge	\$8.00	\$8.00
Energy Charge, first 400 kWhs	\$0.012617	\$0.019695
Energy Charge, all additional kWhs	\$0.022617	\$0.029695
Residential Service Base Power Supply Charge, all kWhs	\$0.077178	\$0.070350

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
0	\$8.00	\$8.00	\$0.00	0.00%
50	\$12.49	\$12.50	\$0.01	0.10%
100	\$16.98	\$17.00	\$0.02	0.15%
200	\$25.96	\$26.01	\$0.05	0.19%
400	\$43.92	\$44.02	\$0.10	0.23%
600	\$63.88	\$64.03	\$0.15	0.23%
800	\$83.84	\$84.04	\$0.20	0.24%
1,000	\$103.80	\$104.05	\$0.25	0.24%
2,000	\$203.59	\$204.09	\$0.50	0.24%
2,500	\$253.49	\$254.11	\$0.62	0.25%
5,000	\$502.98	\$504.23	\$1.25	0.25%
10,000	\$1,001.96	\$1,004.45	\$2.49	0.25%

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Residential Service Cares - Delivery Charges Mohave County		<u>Present</u>	<u>Proposed</u>		
Customer Charge		\$8.00	\$8.00		
Energy Charge, first 400 kWhs		\$0.012617	\$0.019695		
Energy Charge, all additional kWhs		\$0.022617	\$0.029695		
Discount		8.00	8.00		
Residential Service Cares Base Power Supply Charge, all kWhs		\$0.077178	\$0.070350		
		Total Bill	Total Bill	Proposed	Proposed
		Present Rate	Proposed Rate	Increase	Increase
Average Sales per Month				\$	%
0		\$8.00	\$8.00	\$0.00	0.00%
50		\$8.00	\$8.00	\$0.00	0.00%
100		\$8.98	\$9.00	\$0.02	0.28%
200		\$17.96	\$18.01	\$0.05	0.28%
400		\$35.92	\$36.02	\$0.10	0.28%
600		\$55.88	\$56.03	\$0.15	0.27%
800		\$75.84	\$76.04	\$0.20	0.26%
1,000		\$95.80	\$96.05	\$0.25	0.26%
2,000		\$195.59	\$196.09	\$0.50	0.25%
2,500		\$245.49	\$246.11	\$0.62	0.25%
5,000		\$494.98	\$496.23	\$1.25	0.25%
10,000		\$993.96	\$996.45	\$2.49	0.25%
Residential Service Cares - Delivery Charges Santa Cruz County		<u>Present</u>	<u>Proposed</u>		
Customer Charge		\$8.00	\$8.00		
Energy Charge, first 400 kWhs		\$0.012617	\$0.019695		
Energy Charge, all additional kWhs		\$0.022617	\$0.029695		
Discount		8.00	8.00		
Residential Service Cares Base Power Supply Charge, all kWhs		\$0.077178	\$0.070350		
		Total Bill	Total Bill	Proposed	Proposed
		Present Rate	Proposed Rate	Increase	Increase
Average Sales per Month				\$	%
0		\$8.00	\$8.00	\$0.00	0.00%
50		\$8.00	\$8.00	\$0.00	0.00%
100		\$8.98	\$9.00	\$0.02	0.28%
200		\$17.96	\$18.01	\$0.05	0.28%
400		\$35.92	\$36.02	\$0.10	0.28%
600		\$55.88	\$56.03	\$0.15	0.27%
800		\$75.84	\$76.04	\$0.20	0.26%
1,000		\$95.80	\$96.05	\$0.25	0.26%
2,000		\$195.59	\$196.09	\$0.50	0.25%
2,500		\$245.49	\$246.11	\$0.62	0.25%
5,000		\$494.98	\$496.23	\$1.25	0.25%
10,000		\$993.96	\$996.45	\$2.49	0.25%

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Small General Service Delivery Charges - Mohave County	<u>Present</u>	<u>Proposed</u>
Customer Charge	\$12.00	\$12.00
Energy Charge, first 400 kWhs	\$0.027772	\$0.034088
Energy Charge, all additional kWhs	\$0.037772	\$0.044088
Small General Service Base Power Supply Charge, all kWhs	\$0.074947	\$0.068316

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
50	\$17.14	\$17.12	(\$0.02)	-0.09%
100	\$22.27	\$22.24	(\$0.03)	-0.14%
250	\$37.68	\$37.60	(\$0.08)	-0.21%
500	\$64.36	\$64.20	(\$0.16)	-0.24%
1,000	\$120.72	\$120.40	(\$0.31)	-0.26%
2,000	\$233.44	\$232.81	(\$0.63)	-0.27%
3,500	\$402.52	\$401.41	(\$1.10)	-0.27%
5,000	\$571.59	\$570.02	(\$1.57)	-0.28%
10,000	\$1,135.19	\$1,132.04	(\$3.15)	-0.28%
30,000	\$3,389.56	\$3,380.12	(\$9.44)	-0.28%
50,000	\$5,643.94	\$5,628.20	(\$15.74)	-0.28%

Small General Service Delivery Charges Santa Cruz County	<u>Present</u>	<u>Proposed</u>
Customer Charge	\$12.00	\$12.00
Energy Charge, first 400 kWhs	\$0.027772	\$0.034088
Energy Charge, all additional kWhs	\$0.037772	\$0.044088
Small General Service Base Power Supply Charge, all kWhs	\$0.074947	\$0.068316

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
50	\$17.14	\$17.12	(\$0.02)	-0.09%
100	\$22.27	\$22.24	(\$0.03)	-0.14%
250	\$37.68	\$37.60	(\$0.08)	-0.21%
500	\$64.36	\$64.20	(\$0.16)	-0.24%
1,000	\$120.72	\$120.40	(\$0.31)	-0.26%
2,000	\$233.44	\$232.81	(\$0.63)	-0.27%
3,500	\$402.52	\$401.41	(\$1.10)	-0.27%
5,000	\$571.59	\$570.02	(\$1.57)	-0.28%
10,000	\$1,135.19	\$1,132.04	(\$3.15)	-0.28%
30,000	\$3,389.56	\$3,380.12	(\$9.44)	-0.28%
50,000	\$5,643.94	\$5,628.20	(\$15.74)	-0.28%

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Large General Service Delivery Charges	<u>Present</u>	<u>Proposed</u>	
Customer Charge	\$11.10	\$11.10	
Demand Charge, per kW	\$10.50	\$10.50	50 (Assumes 50 kW Demand)
Energy Charge, per kWh	\$0.007497	\$0.013143	
Large General Service Base Power Supply Charge, all kWhs	\$0.066362	\$0.060491	

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
5,000	\$905.40	\$904.27	(\$1.12)	-0.12%
10,000	\$1,274.69	\$1,272.44	(\$2.25)	-0.18%
25,000	\$2,382.58	\$2,376.96	(\$5.62)	-0.24%
50,000	\$4,229.05	\$4,217.81	(\$11.24)	-0.27%
100,000	\$7,922.01	\$7,899.53	(\$22.48)	-0.28%
200,000	\$15,307.91	\$15,262.96	(\$44.95)	-0.29%
300,000	\$22,693.82	\$22,626.39	(\$67.43)	-0.30%
400,000	\$30,079.72	\$29,989.81	(\$89.91)	-0.30%
500,000	\$37,465.63	\$37,353.24	(\$112.39)	-0.30%
600,000	\$44,851.53	\$44,716.67	(\$134.86)	-0.30%

Large General Service TOU Delivery Charges	<u>Present</u>	<u>Proposed</u>	
Customer Charge	\$16.00	\$16.00	
Demand Charge, per kW	\$10.50	\$10.50	50 (Assumes 50 kW Demand)
Energy Charge, per kWh	\$0.007497	\$0.013143	
Large General Service (TOU) Base Power Supply Charge, all kWhs	\$0.066362	\$0.060491	

Average Sales per Month	Total Bill Present Rate	Total Bill Proposed Rate	Proposed Increase \$	Proposed Increase %
5,000	\$910.30	\$909.17	(\$1.12)	-0.12%
10,000	\$1,279.59	\$1,277.34	(\$2.25)	-0.18%
25,000	\$2,387.48	\$2,381.86	(\$5.62)	-0.24%
50,000	\$4,233.95	\$4,222.71	(\$11.24)	-0.27%
100,000	\$7,926.91	\$7,904.43	(\$22.48)	-0.28%
200,000	\$15,312.81	\$15,267.86	(\$44.95)	-0.29%
300,000	\$22,698.72	\$22,631.29	(\$67.43)	-0.30%
400,000	\$30,084.62	\$29,994.71	(\$89.91)	-0.30%
500,000	\$37,470.53	\$37,358.14	(\$112.39)	-0.30%
600,000	\$44,856.43	\$44,721.57	(\$134.86)	-0.30%

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Large Power Service (<69KV) Delivery Charges	<u>Present</u>	<u>Proposed</u>		
Customer Charge	\$365.00	\$365.00		
Demand Charge, per kW	\$21.53	\$24.00		
Energy Charge, per kWh	\$0.000000	\$0.000000	500 (Assumes 500 kW Demand)	
Large Power Service (<69KV) Base Power Supply Charge, all kWh:	\$0.052704	\$0.048041		
	Total Bill	Total Bill	Proposed	Proposed
Average Sales per Month	Present Rate	Proposed Rate	Increase	Increase
			\$	%
300,000	\$26,941	\$26,777	(\$165)	-0.61%
450,000	\$34,847	\$33,983	(\$864)	-2.48%
650,000	\$45,387	\$43,591	(\$1,796)	-3.96%
850,000	\$55,928	\$53,199	(\$2,729)	-4.88%
950,000	\$61,199	\$58,003	(\$3,195)	-5.22%
1,500,000	\$90,186	\$84,426	(\$5,760)	-6.39%
1,750,000	\$103,361	\$96,436	(\$6,925)	-6.70%
2,000,000	\$116,537	\$108,446	(\$8,091)	-6.94%
2,500,000	\$142,889	\$132,467	(\$10,423)	-7.29%

Large Power Service (>69KV) Delivery Charges	<u>Present</u>	<u>Proposed</u>		
Customer Charge	\$400.00	\$380.00		
Demand Charge, per kW	\$12.53	\$15.00		
Energy Charge, per kWh	\$0.000000	\$0.000000	500 (Assumes 500 kW Demand)	
Large Power Service (>69KV) Base Power Supply Charge, all kWh:	\$0.052704	\$0.048041		
	Total Bill	Total Bill	Proposed	Proposed
Average Sales per Month	Present Rate	Proposed Rate	Increase	Increase
			\$	%
300,000	\$22,476.17	\$22,291.63	(\$185)	-0.82%
450,000	\$30,381.72	\$29,497.77	(\$884)	-2.91%
650,000	\$40,922.44	\$39,105.95	(\$1,816)	-4.44%
850,000	\$51,463.17	\$48,714.13	(\$2,749)	-5.34%
950,000	\$56,733.53	\$53,518.22	(\$3,215)	-5.67%
1,500,000	\$85,720.53	\$79,940.72	(\$5,780)	-6.74%
1,750,000	\$98,896.44	\$91,950.94	(\$6,945)	-7.02%
2,000,000	\$112,072.34	\$103,961.17	(\$8,111)	-7.24%
2,500,000	\$138,424.16	\$127,981.62	(\$10,443)	-7.54%

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Interruptible Power Service Delivery Charges	<u>Present</u>	<u>Proposed</u>		
Customer Charge	\$11.10	\$11.10		
Demand Charge, per kW	\$3.50	\$3.50	50 (Assumes 50 kW Demand)	
Energy Charge, per kWh	\$0.018268	\$0.022967		
Interruptible Power Service Base Power Supply Charge, all kWhs	\$0.054911	\$0.050053		
	Total Bill	Total Bill	Proposed	Proposed
Average Sales per Month	Present Rate	Proposed Rate	Increase	Increase
10,001	\$917.96	\$916.37	\$	%
			(\$1.60)	-0.17%
15,000	\$1,283.79	\$1,281.39	(\$2.39)	-0.19%
20,000	\$1,649.68	\$1,646.49	(\$3.19)	-0.19%
30,000	\$2,381.47	\$2,376.68	(\$4.79)	-0.20%
50,000	\$3,845.05	\$3,837.07	(\$7.98)	-0.21%
75,000	\$5,674.53	\$5,662.56	(\$11.97)	-0.21%
100,000	\$7,504.01	\$7,488.05	(\$15.96)	-0.21%
125,000	\$9,333.48	\$9,313.53	(\$19.95)	-0.21%
150,000	\$11,162.96	\$11,139.02	(\$23.94)	-0.21%

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	Present	Proposed	Proposed Increase \$	Proposed Increase %
Lighting Dusk to Dawn Delivery Charges				
Overhead Service				
Existing Wood Pole	\$0.00	\$0.00	\$0.00	0.00%
New 30' Wood Pole (Class 6)	\$4.50	\$4.50	\$0.00	0.00%
New 30' Metal or Fiberglass	\$9.02	\$9.02	\$0.00	0.00%
Underground Service				
Existing Wood Pole	\$2.25	\$2.25	\$0.00	0.00%
New 30' Wood Pole (Class 6)	\$6.76	\$6.76	\$0.00	0.00%
New 30' Metal or Fiberglass	\$11.27	\$11.27	\$0.00	0.00%
Per Watt	\$0.062308	\$0.061502	(\$0.0008)	-1.29%
Lighting Base Power Supply Charge, customer charge	\$1.84	\$1.67		
100 Watts - Overhead				
Existing Wood Pole	\$8.07	\$7.83	(\$0.24)	-3.01%
New 30' Wood Pole (Class 6)	\$14.41	\$14.00	(\$0.41)	-2.83%
New 30' Metal or Fiberglass	\$18.92	\$18.52	(\$0.41)	-2.16%
100 Watts - Underground				
Existing Wood Pole	\$12.16	\$11.75	(\$0.41)	-3.36%
New 30' Wood Pole (Class 6)	\$12.16	\$16.26	\$4.11	33.76%
New 30' Metal or Fiberglass	\$12.16	\$20.77	\$8.61	70.79%
200 Watts - Overhead				
Existing Wood Pole	\$14.30	\$13.98	(\$0.32)	-2.24%
New 30' Wood Pole (Class 6)	\$20.64	\$20.15	(\$0.49)	-2.35%
New 30' Metal or Fiberglass	\$25.15	\$24.67	(\$0.49)	-1.93%
200 Watts - Underground				
Existing Wood Pole	\$16.55	\$16.23	(\$0.32)	-1.94%
New 30' Wood Pole (Class 6)	\$16.55	\$20.74	\$4.19	25.34%
New 30' Metal or Fiberglass	\$16.55	\$25.24	\$8.70	52.55%
400 Watts - Overhead				
Existing Wood Pole	\$26.75	\$26.28	(\$0.48)	-1.78%
New 30' Wood Pole (Class 6)	\$31.25	\$30.78	(\$0.48)	-1.52%
New 30' Metal or Fiberglass	\$35.77	\$35.29	(\$0.48)	-1.33%
400 Watts - Underground				
Existing Wood Pole	\$29.00	\$28.53	(\$0.48)	-1.64%
New 30' Wood Pole (Class 6)	\$29.00	\$33.04	\$4.04	13.92%
New 30' Metal or Fiberglass	\$29.00	\$37.54	\$8.54	29.44%

RESIDENTIAL SERVICE

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
0	99	67,708	2,317,554	67,708	7.90%	2,317,554	0.31%
100	199	54,617	8,154,608	122,325	14.27%	10,472,162	1.40%
200	299	62,426	15,559,821	184,751	21.55%	26,031,984	3.48%
300	399	67,354	23,506,159	252,105	29.41%	49,538,142	6.63%
400	499	68,753	30,874,134	320,858	37.43%	80,412,276	10.76%
500	599	65,281	35,811,235	386,139	45.05%	116,223,511	15.55%
600	699	56,223	36,652,157	442,362	51.60%	152,875,668	20.46%
700	799	53,042	39,738,598	495,404	57.79%	192,614,266	25.78%
800	899	46,569	39,557,044	541,973	63.22%	232,171,310	31.07%
900	999	40,981	38,928,560	582,954	68.01%	271,099,870	36.28%
1,000	1,999	204,946	286,055,179	787,899	91.91%	557,155,049	74.57%
2,000	2,999	52,339	125,314,796	840,238	98.02%	682,469,844	91.34%
3,000	3,999	12,530	42,541,267	852,768	99.48%	725,011,112	97.03%
4,000	4,999	3,087	13,582,489	855,855	99.84%	738,593,601	98.85%
5,000	5,999	859	4,648,128	856,714	99.94%	743,241,729	99.47%
6,000	6,999	294	1,888,322	857,008	99.98%	745,130,051	99.72%
7,000	7,999	101	751,323	857,109	99.99%	745,881,374	99.82%
8,000	8,999	48	405,802	857,157	99.99%	746,287,176	99.88%
9,000	9,999	21	197,052	857,178	100.00%	746,484,228	99.91%
10,000	10,999	18	188,975	857,196	100.00%	746,673,204	99.93%
11,000	11,999	2	23,527	857,198	100.00%	746,696,731	99.93%
12,000	12,999	4	48,970	857,202	100.00%	746,745,701	99.94%
13,000	13,999	4	54,160	857,206	100.00%	746,799,861	99.95%
14,000	14,999	2	28,319	857,208	100.00%	746,828,180	99.95%
15,000	15,999	1	15,651	857,209	100.00%	746,843,831	99.95%
16,000	16,999	-	-	857,209	100.00%	746,843,831	99.95%
17,000	17,999	2	35,419	857,211	100.00%	746,879,251	99.96%
18,000	18,999	-	-	857,211	100.00%	746,879,251	99.96%
19,000	19,999	2	38,823	857,213	100.00%	746,918,074	99.96%
≥20,000		7	275,798	857,220	100.00%	747,193,872	100.00%

RESIDENTIAL SERVICE - CARES

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
0	99	1,807	89,534	1,807	2.51%	89,534	0.16%
100	199	4,886	755,081	6,693	9.31%	844,615	1.55%
200	299	7,439	1,866,574	14,132	19.66%	2,711,189	4.97%
300	399	8,095	2,833,724	22,227	30.93%	5,544,913	10.17%
400	499	7,651	3,437,167	29,878	41.57%	8,982,080	16.48%
500	599	6,977	3,832,256	36,856	51.28%	12,814,335	23.51%
600	699	5,586	3,646,162	42,442	59.06%	16,460,497	30.20%
700	799	4,915	3,688,243	47,357	65.89%	20,148,740	36.96%
800	899	4,035	3,430,445	51,391	71.51%	23,579,185	43.26%
900	999	3,248	3,087,991	54,640	76.03%	26,667,176	48.92%
1,000	1,999	13,846	19,027,341	68,486	95.29%	45,694,517	83.83%
2,000	2,999	2,736	6,487,699	71,222	99.10%	52,182,216	95.73%
3,000	3,999	523	1,761,350	71,745	99.83%	53,943,566	98.96%
4,000	4,999	100	438,031	71,845	99.97%	54,381,597	99.76%
5,000	5,999	17	94,142	71,863	99.99%	54,475,739	99.93%
≥ 6,000		5	35,832	71,868	100.00%	54,511,571	100.00%



SMALL GENERAL SERVICE

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
0	99	14,381	556,291	14,381	15.99%	556,291	0.61%
100	199	7,077	1,068,053	21,457	23.86%	1,624,344	1.78%
200	299	6,907	1,693,729	28,365	31.55%	3,318,074	3.65%
300	399	6,263	2,139,625	34,628	38.51%	5,457,699	6.00%
400	499	5,184	2,281,759	39,812	44.28%	7,739,922	8.50%
500	599	4,428	2,387,653	44,240	49.20%	10,127,576	11.13%
600	699	3,915	2,570,283	48,154	53.56%	12,697,859	13.95%
700	799	3,641	2,858,387	51,796	57.61%	15,556,246	17.09%
800	899	3,194	2,860,157	54,990	61.16%	18,416,403	20.23%
900	999	2,798	2,621,664	57,788	64.27%	21,038,067	23.11%
1000	1999	18,145	25,669,194	75,933	84.45%	46,707,261	51.31%
2000	2999	7,892	18,882,223	83,825	93.23%	65,589,484	72.05%
3000	3999	3,739	12,629,783	87,564	97.39%	78,219,267	85.93%
4000	4999	1,519	6,791,201	89,083	99.08%	85,010,468	93.39%
5000	5999	501	2,778,830	89,584	99.63%	87,789,298	96.44%
6000	6999	146	917,261	89,730	99.80%	88,706,559	97.45%
7000	7999	66	481,420	89,795	99.87%	89,187,979	97.98%
8000	8999	30	248,647	89,826	99.90%	89,436,627	98.25%
9000	9999	21	193,891	89,846	99.92%	89,630,517	98.46%
10000	10999	17	181,565	89,863	99.94%	89,812,083	98.66%
11000	11999	11	128,713	89,874	99.96%	89,940,795	98.80%
12000	12999	8	102,945	89,883	99.97%	90,043,741	98.92%
13000	13999	5	68,917	89,888	99.97%	90,112,658	98.99%
14000	14999	5	73,833	89,893	99.98%	90,186,491	99.07%
15000	15999	3	48,307	89,896	99.98%	90,234,798	99.13%
16000	16999	5	85,360	89,901	99.99%	90,320,158	99.22%
17000	17999	1	17,976	89,902	99.99%	90,338,134	99.24%
18000	18999	1	18,963	89,904	99.99%	90,357,097	99.26%
19000	19999	1	19,682	89,905	99.99%	90,376,779	99.28%
20000	49999	6	167,434	89,911	100.00%	90,544,213	99.47%
≥ 50,000		3	486,286	89,914	100.00%	91,030,499	100.00%

**LARGE GENERAL SERVICE**

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
0	99	768	59,360	768	3.1%	59,360	0.0%
100	199	99	13,403	867	3.5%	72,763	0.0%
200	299	74	17,687	941	3.9%	90,450	0.0%
300	399	69	23,336	1,010	4.1%	113,786	0.0%
400	499	74	33,202	1,084	4.4%	146,988	0.0%
500	599	53	28,718	1,137	4.7%	175,706	0.0%
600	699	61	39,570	1,197	4.9%	215,276	0.0%
700	799	59	43,634	1,256	5.1%	258,909	0.1%
800	899	58	48,965	1,314	5.4%	307,875	0.1%
900	999	64	60,315	1,378	5.6%	368,190	0.1%
1,000	1,999	755	1,155,733	2,133	8.7%	1,523,923	0.3%
2,000	2,999	1,408	3,560,058	3,541	14.5%	5,083,981	1.0%
3,000	3,999	1,756	6,150,429	5,297	21.7%	11,234,410	2.3%
4,000	4,999	2,064	9,266,495	7,360	30.1%	20,500,905	4.1%
5,000	5,999	2,000	10,935,917	9,360	38.3%	31,436,821	6.4%
6,000	6,999	1,702	10,996,935	11,062	45.3%	42,433,756	8.6%
7,000	7,999	1,351	10,078,145	12,413	50.8%	52,511,901	10.6%
8,000	8,999	1,115	9,440,564	13,528	55.4%	61,952,465	12.5%
9,000	9,999	821	7,768,362	14,349	58.8%	69,720,827	14.1%
10,000	10,999	736	7,702,069	15,084	61.8%	77,422,896	15.7%
11,000	11,999	688	7,866,569	15,773	64.6%	85,289,464	17.3%
12,000	12,999	539	6,717,413	16,311	66.8%	92,006,877	18.6%
13,000	13,999	419	5,646,279	16,731	68.5%	97,653,156	19.8%
14,000	14,999	431	6,214,531	17,161	70.3%	103,867,687	21.0%
15,000	15,999	399	6,162,174	17,560	71.9%	110,029,862	22.3%
16,000	16,999	417	6,871,299	17,977	73.6%	116,901,161	23.7%
17,000	17,999	354	6,173,584	18,332	75.1%	123,074,745	24.9%
18,000	18,999	339	6,246,213	18,671	76.5%	129,320,958	26.2%
19,000	19,999	294	5,702,108	18,964	77.7%	135,023,065	27.3%
20,000	29,999	1,980	48,388,781	20,945	85.8%	183,411,846	37.1%
30,000	39,999	816	26,693,908	21,761	89.1%	210,105,755	42.5%
40,000	49,999	590	26,186,798	22,351	91.5%	236,292,552	47.8%
50,000	64,999	533	30,058,709	22,884	93.7%	266,351,262	53.9%
65,000	79,999	321	23,170,671	23,205	95.0%	289,521,933	58.6%
80,000	94,999	213	18,511,550	23,418	95.9%	308,033,484	62.3%
95,000	109,999	163	16,586,891	23,581	96.6%	324,620,375	65.7%
110,000	124,999	107	12,499,309	23,688	97.0%	337,119,683	68.2%
125,000	149,999	175	23,980,682	23,863	97.7%	361,100,365	73.1%
150,000	174,999	128	20,576,992	23,991	98.2%	381,677,357	77.2%
175,000	199,999	100	18,620,683	24,091	98.6%	400,298,040	81.0%
200,000	224,999	84	18,028,142	24,176	99.0%	418,326,181	84.7%
225,000	249,999	71	16,779,313	24,247	99.3%	435,105,495	88.1%
250,000	274,999	46	12,148,326	24,293	99.5%	447,253,821	90.5%
275,000	299,999	31	8,856,224	24,324	99.6%	456,110,044	92.3%
300,000	324,999	27	8,343,075	24,351	99.7%	464,453,120	94.0%
325,000	349,999	16	5,529,319	24,367	99.8%	469,982,439	95.1%
350,000	374,999	15	5,614,282	24,383	99.8%	475,596,720	96.2%
375,000	399,999	6	2,382,986	24,389	99.9%	477,979,707	96.7%
400,000	424,999	11	4,674,117	24,400	99.9%	482,653,823	97.7%
425,000	449,999	4	1,782,137	24,404	99.9%	484,435,960	98.0%
450,000	549,999	11	5,499,400	24,416	100.0%	489,935,360	99.1%
550,000	649,999	3	1,864,692	24,419	100.0%	491,800,051	99.5%
≥ 650,000		2	2,355,413	24,421	100.0%	494,155,464	100.0%

**LARGE POWER SERVICE**

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
-	549,999	58	16,136,991	58	40.28%	16,136,991	8.12%
550,000	1,499,999	38	29,353,090	96	66.67%	45,490,080	22.90%
1,500,000	1,749,999	4	6,683,907	100	69.44%	52,173,987	26.27%
1,750,000	1,999,999	6	11,300,709	106	73.61%	63,474,697	31.96%
2,000,000	2,499,999	2	4,582,619	108	75.00%	68,057,315	34.26%
≥ 2,500,000		36	130,569,441	144	100.00%	198,626,756	100.00%

**INTERRUPTIBLE POWER SERVICE**

Usage Range - kWhs		Number of Bills	kWhs	Cumulative Bills		Cumulative kWhs	
Lower	Upper			Bills	Percent of Total	kWhs	Percent of Total
0	99	20	240	20	8.5%	240	0.0%
100	199	7	1,122	27	11.5%	1,362	0.0%
200	299	7	1,640	34	14.5%	3,002	0.0%
300	399	2	680	36	15.3%	3,682	0.0%
400	499	3	1,440	39	16.6%	5,122	0.0%
500	599	3	1,649	42	17.9%	6,771	0.0%
600	699	0	0	42	17.9%	6,771	0.0%
700	799	1	714	43	18.3%	7,485	0.0%
800	899	1	880	44	18.7%	8,365	0.0%
900	999	0	0	44	18.7%	8,365	0.0%
1,000	1,999	2	3,040	46	19.6%	11,405	0.1%
2,000	2,999	1	2,000	47	20.0%	13,405	0.1%
3,000	3,999	0	0	47	20.0%	13,405	0.1%
4,000	4,999	0	0	47	20.0%	13,405	0.1%
5,000	5,999	3	15,989	50	21.3%	29,394	0.2%
6,000	6,999	3	19,365	53	22.6%	48,759	0.3%
7,000	7,999	4	29,360	57	24.3%	78,119	0.4%
8,000	8,999	9	77,640	66	28.1%	155,759	0.9%
9,000	9,999	3	28,485	69	29.4%	184,244	1.0%
10,000	10,999	2	21,699	71	30.2%	205,943	1.2%
11,000	11,999	2	23,360	73	31.1%	229,303	1.3%
12,000	12,999	6	76,960	79	33.6%	306,263	1.7%
13,000	13,999	4	54,280	83	35.3%	360,543	2.0%
14,000	14,999	3	42,480	86	36.6%	403,023	2.3%
15,000	15,999	5	76,680	91	38.7%	479,703	2.7%
16,000	16,999	6	96,680	97	41.3%	576,383	3.3%
17,000	17,999	1	17,200	98	41.7%	593,583	3.4%
18,000	18,999	6	111,400	104	44.3%	704,983	4.0%
19,000	19,999	2	39,240	106	45.1%	744,223	4.2%
20,000	29,999	32	789,044	138	58.7%	1,533,267	8.7%
30,000	39,999	6	196,760	144	61.3%	1,730,027	9.8%
40,000	49,999	4	178,440	148	63.0%	1,908,467	10.8%
50,000	64,999	6	345,560	154	65.5%	2,254,027	12.8%
65,000	79,999	6	451,200	160	68.1%	2,705,227	15.4%
80,000	94,999	17	1,479,407	177	75.3%	4,184,634	23.8%
95,000	109,999	4	424,720	181	77.0%	4,609,354	26.2%
110,000	124,999	9	1,059,480	190	80.9%	5,668,834	32.2%
125,000	149,999	8	1,072,720	198	84.3%	6,741,554	38.3%
150,000	174,999	5	826,400	203	86.4%	7,567,954	43.0%
175,000	199,999	7	1,308,160	210	89.4%	8,876,114	50.4%
200,000	224,999	1	203,600	211	89.8%	9,079,714	51.6%
225,000	249,999	1	230,960	212	90.2%	9,310,674	52.9%
250,000	274,999	2	521,040	214	91.1%	9,831,714	55.9%
275,000	299,999	4	1,159,600	218	92.8%	10,991,314	62.5%
300,000	324,999	4	1,258,400	222	94.5%	12,249,714	69.6%
325,000	349,999	2	680,800	224	95.3%	12,930,514	73.5%
350,000	374,999	2	714,400	226	96.2%	13,644,914	77.5%
375,000	399,999	2	753,200	228	97.0%	14,398,114	81.8%
400,000	424,999	2	838,800	230	97.9%	15,236,914	86.6%
425,000	449,999	2	873,600	232	98.7%	16,110,514	91.5%
≥ 450,000		3	1,488,400	235	100.0%	17,598,914	100.0%

**LIGHTING DUSK TO DAWN SERVICE**

Overhead Services

Existing Wood Pole	39,277
New 30' Wood Pole (Class 6)	8,220
New 30' Metal or Fiberglass	2,385

Underground Services

Existing Wood Pole	686
New 30' Wood Pole (Class 6)	347
New 30' Metal or Fiberglass	7,646

<b>TOTAL</b>	<b>58,560</b>
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